California State Auditor

BUREAU OF STATE AUDITS

Office of Criminal Justice Planning:

Experiences Problems in Program Administration, and Alternative Administrative Structures for the Domestic Violence Program Might Improve Program Delivery

October 2002
2002-107

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October 24, 2002 2002-107

The Governor of California
President pro Tempore of the Senate
Speaker of the Assembly
State Capitol
Sacramento, California 95814

Dear Governor and Legislative Leaders:

As requested by the Joint Legislative Audit Committee, the Bureau of State Audits presents its audit report concerning our review of the Office of Criminal Justice Planning's (OCJP) administration of state and federal grants, including the domestic violence program.

This report concludes that OCJP has not fulfilled its responsibilities in administering state and federal grants. Based on our review of its administration of five programs, including the domestic violence program, we noted that OCJP has not adopted guidelines to determine the extent it weighs grant recipients' past performance when competitively awarding funds, nor does it always provide grant applicants the necessary information and time to challenge its award decisions. We also found that OCJP has missed opportunities to seek the guidance of an advisory committee regarding program administration and has not consistently provided oversight to its grant recipients. Moreover, OCJP has spent $2.1 million during the past three years on activities that culminated in program evaluations of uneven quality, content, and usefulness.

Our review of the domestic violence programs administered by OCJP and the Department of Health Services (DHS) revealed that OCJP decided not to correct an inconsistency in its 2001 request for proposals that resulted in a majority of shelters receiving an increased level of funding, but fewer shelters receiving funding overall. We also discovered that DHS has not established guidelines as to how past performance will be considered when competitively awarding grants and has failed to perform some of its oversight responsibilities such as only completing site visits for 3 of its 91 shelter-based grant recipients.

Lastly, because many of OCJP's and DHS's activities for awarding grants and conducting oversight of shelter-based grant recipients overlap, the State could improve its provision of domestic violence services by moving toward greater coordination or consolidation of their respective programs.

Respectfully submitted,

Elaine M. Howle

ELAINE M. HOWLE
State Auditor

CONTENTS

Summary 1

Introduction 7

Chapter 1

The Office of Criminal Justice Planning Can Improve How It Administers Grants 15

Recommendations 41

Chapter 2

The Office of Criminal Justice Planning and the Department of Health Services Can Both Improve How They Administer the Domestic Violence Program 45

Recommendations 52

Chapter 3

California Could Improve Its Provision of Domestic Violence Services by Moving Toward Greater Coordination or Consolidation 55

Recommendations 73

Appendix A

OCJP's Programs and the Funds It Awarded to Grant Recipients 75

Appendix B

Domestic Violence Shelters Funded in Fiscal Year 2001–02 81

Appendix C

Summary of Our Findings by Program 85

Responses to the Audit

Office of Criminal Justice Planning 89

California State Auditor's Comments on the Response From the Office of Criminal Justice Planning 97

Health and Human Services Agency, Department of Health Services 99

California State Auditor's Comment on the Response From the Department of Health Services 107

SUMMARY

Audit Highlights . . .

The Office of Criminal Justice Planning (OCJP) has not fulfilled all of its responsibilities in administering state and federal grant-supported programs, including the domestic violence program. Specifically, OCJP:

- ☑ *Has not adopted guidelines to determine the extent it weighs grant recipients past performance when awarding funds.*
- ☑ *Does not always provide grant applicants the necessary information or time to challenge its award decisions.*
- ☑ *Missed opportunities to seek guidance an advisory committee could provide regarding program administration.*
- ☑ *Has not consistently monitored grant recipients.*
- ☑ *Spent $2.1 million during the last three years on program evaluations of uneven quality, content, and usefulness.*

continued on next page

RESULTS IN BRIEF

Two state agencies in California administer and allocate funds for domestic violence services. In 1985, the Legislature authorized the Office of Criminal Justice Planning (OCJP) as the state agency responsible for administering a statewide domestic violence program. Through the program, OCJP awards funds to domestic violence shelters throughout California to assist domestic violence victims and to prevent family violence. In 1994, the Legislature enacted the Battered Women Protection Act, which appropriated funds to the Department of Health Services (DHS) to administer a comprehensive shelter-based grant program. Through this shelter-based program, DHS awards funds to provide services to battered women and their children. DHS receives additional funds that are earmarked to provide funding to other domestic violence programs as well, including prevention programs, technical assistance, and services to unserved and underserved populations of the State.

Both OCJP and DHS have some discretion in determining what they fund and establishing funding levels. For its 2001 through 2004 funding cycle, OCJP implemented a competitive process to award its shelter-based program funds. As a result of this process, it did not award grants to 10 shelters that it had previously funded. In response to public criticism, the State provided emergency funding to these 10 shelters at the end of 2001. DHS also uses a competitive funding process, and during its 2000 through 2003 funding cycle, it did not award grants to 6 shelters that it had funded in the past because of their low-scoring applications. Five of these six shelters were funded by the State in late fiscal year 2000–01 using money that was received as the result of a class action settlement. In February 2002, the Senate Judiciary Committee, the Senate Select Committee on Government Oversight, and the California Women's Legislative Caucus held hearings regarding these 16 shelters whose funding was discontinued. Shortly thereafter, the Joint Legislative Audit Committee approved an audit of OCJP's and DHS's administration of their respective domestic violence programs and of OCJP's overall administration efforts.

Our review of the domestic violence programs administered by OCJP and the Department of Health Services (DHS) revealed that:

- ☑ *OCJP decided not to correct an inconsistency in its 2001 request for proposals, which resulted in fewer shelters receiving funding.*
- ☑ *DHS has not established guidelines as to how past performance will be considered when awarding grants.*
- ☑ *OCJP and DHS award the majority of their domestic violence funds to shelters for the provision of similar services.*
- ☑ *OCJP's and DHS's activities for awarding grants and providing oversight of recipients sometimes overlap.*

Our review of five programs administered by OCJP, including the domestic violence program and four other programs, found that OCJP has not fulfilled all of its responsibilities in administering state and federal grants. Specifically, OCJP has left itself vulnerable to the perception that its grant award processes are not equitable because it has not adopted guidelines weighing grant recipients' past performance when awarding funds, nor is its review process systematic enough to identify grant recipients with poor past performance. Moreover, OCJP does not always provide unsuccessful grant applicants the necessary information or time to challenge its award decisions, and it has missed opportunities to seek the guidance an advisory committee could provide regarding certain decisions that affect program administration.

In addition, OCJP has not consistently monitored grant recipients' activities, and therefore has not always promptly addressed problems. It has not visited grant recipients as required by its own policies or developed an alternative process to prioritize those grant recipients that it should visit. In many cases when grant recipients have not submitted required reports on time, OCJP has not quickly followed up or has failed to document any informal reminders that it sent concerning the reports. It has also failed to promptly review required reports submitted by grant recipients. In one instance, it did not review grant recipients' audit reports for over a year because its contract with the outside consultant that conducted the reviews lapsed, creating a backlog of more than 700 reports in need of review. Moreover, by eliminating a portion of its audit review that duplicates work being done by another state entity, OCJP could achieve an annual savings of nearly $23,000. When it has identified problems through grant recipient visits or its review of reports, OCJP has not always followed up to ensure the problems are resolved.

We also found problems in other aspects of OCJP's administration. Specifically, during the last three years, OCJP's evaluation branch spent $2.1 million on activities that culminated in evaluations of uneven quality, content, and usefulness. The branch lacks a process that would help it determine what programs would profit most from evaluations, how detailed evaluations should be, what criteria evaluations must satisfy, and, until recently, how to ensure they contain workable recommendations. The branch has been lax in management of its contracts; as a result, it did not include measurable deliverables in one contract and failed to ensure

that it received the deliverables contained in others. It also circumvented competitive bidding rules in entering an agreement with a University of California extension school.

Furthermore, OCJP's method for assigning indirect and personnel costs to the various programs it administers may result in some programs paying the administrative costs for others. Its allocation of indirect costs has been inconsistent, and it has not kept adequate records of its allocation decisions to demonstrate that they were appropriate. It has also failed to require its employees to record their activities when working on multiple programs as required by federal grant guidelines.

These weaknesses in OCJP's overall administration reflect the weaknesses we found in its administration of its domestic violence program. However, we also noted one problem specific to its domestic violence program. Because it decided not to correct an inconsistency in its 2001 domestic violence request for proposals, OCJP raised its minimum funding level for shelters, which resulted in fewer shelters receiving funds.

In reviewing DHS's administration of its domestic violence program, we found that, like OCJP, problems with DHS's processes for awarding grants and overseeing grant recipients have hindered its success. It has not established sufficient guidelines concerning weighing past performance when considering grant applications, nor has it adopted a systematic review process to identify grant recipients with poor past performance. Furthermore, DHS has only performed site visits for 3 of its 91 grant recipients and has not considered developing a process to prioritize those visits, even though a state law that took effect in January 2002 requires that DHS visit all grant recipients at least once during the three-year grant cycle. DHS has not quickly followed up with many grant recipients who were late in submitting required reports, and once it receives required progress reports, it often fails to review them in a timely manner, if it reviews them at all.

Despite some differences in their programs, OCJP and DHS award the majority of their domestic violence funds to shelters for the provision of similar services. OCJP operates its $14.7 million shelter-based program under guidelines from both its federal funding sources and state law, which generally limit it to funding 13 specific domestic violence services. Although DHS's $14.3 million shelter-based program does not face the same requirements because it does not receive federal funds and

because state law places fewer restrictions on it, it requires that applicants for its shelter-based program demonstrate that they can provide the same 13 services. As a result, shelters eligible for funding from one department are generally also eligible for funding from the other. In fact, the shelters we reviewed appear to be planning to use most of the funds from the two shelter-based programs for similar activities. Through other programs, DHS also provides an additional $3.9 million of domestic violence funding for community planning and violence-prevention activities that OCJP does not fund.

Because of the similarity of their shelter-based programs, OCJP's and DHS's activities for awarding grants and providing oversight of recipients sometimes overlap. For example, although their grant applications require that the shelters submit similar information, DHS and OCJP separately review and score them. Moreover, although OCJP already visits its shelters to assess their activities and to provide technical assistance, DHS plans to perform similar visits because a new legislative mandate requires it do so. Furthermore, while both departments use the same periodic progress report, they require that the shelters report this information for different time periods.

Because OCJP and DHS fund similar activities and areas of their grant application and oversight efforts overlap, we believe that another approach to structuring the State's domestic violence programs could prove more efficient. We present the following as the four alternatives we considered:

- Increase coordination between the departments.
- Issue a joint grant application for the departments' shelter-based programs.
- Combine the two shelter-based programs at one department.
- Completely consolidate all DHS and OCJP domestic violence programs.

RECOMMENDATIONS

To ensure its application process is fair and impartial, OCJP should create guidelines and criteria to determine when a grant applicant's past performance issues rise to the level for it to consider denying continued funding for that applicant. It should also conduct periodic uniform reviews of all applicants'

past performance and clearly state in the rejection letters sent to the applicants the reasons they were denied funding. To improve outreach to its grant recipients and comply with legislation that is soon to take effect, OCJP should create an advisory committee for the domestic violence program that could provide guidance on key program decisions.

We also recommend that OCJP take several actions to improve its oversight of grant recipients. These actions include ensuring prompt site visits of newly funded grant recipients, establishing a process for identifying which grant recipients it should visit first when it conducts monitoring visits, developing written guidelines to determine when and how staff should follow up on late progress reports, ensuring that it reviews audit reports within six months of receipt in order to comply with federal guidelines, and revising its audit report review of municipalities to eliminate duplication of effort with the State Controller's Office. OCJP should also establish written guidelines to address how staff should follow up on problems identified in progress reports or during site visits, and it should require that its monitors review grant recipients' corrective action plans to ensure problems identified during monitoring visits have been appropriately resolved.

To improve its evaluations branch, OCJP should develop a plan for selecting and designing evaluations. OCJP should include measurable deliverables and timelines in its contracts with evaluators and hold evaluators to their contracts. It should also ensure that interagency agreements with university campuses comply with state guidelines regarding competitive bidding.

To ensure its application process is fair and impartial, DHS should also create guidelines and criteria to determine when a grant applicant's past performance issues rise to the level for it to consider denying that applicant funding. It should also conduct periodic uniform reviews of all applicants with regard to past performance. To improve the oversight of its grantees, DHS should ensure that it consistently reviews progress reports submitted by shelters, complies with the state law mandating site visits while establishing a process for prioritizing visits to shelters, develop written guidelines to establish when staff should follow up on late progress reports and how they should document that follow-up, and ensure that staff follow existing guidelines regarding timely follow-up of late audit reports.

To improve the efficiency of the State's domestic violence programs, OCJP and DHS should coordinate the development of their application processes and identify areas common to both where they could share information or agree to request information in a similar format. To eliminate duplicate oversight activities, OCJP and DHS should also consider aligning their reporting periods for progress reports, coordinating their visits to shelters, and establishing procedures for communicating concerns or problems regarding shelters. In addition, OCJP and DHS, along with the Legislature, should consider implementing one of the following alternatives:

- Continue to coordinate the departments' activities on projects in which both have interests in improving services. In addition, OCJP and DHS should each strive to identify opportunities to focus funding on specific activities. This would include establishing base funding for shelters.

- Issue a joint application for both departments' shelter-based programs but have each department continue its separate oversight.

- Combine the shelter-based programs at one department. This alternative would require some changes to state law and funding appropriations because both departments have authorizing legislation establishing their shelter-based programs. The legislation also imposes separate requirements on the funding each receives.

- Consolidate all domestic violence programs at one department. This alternative would also require legislative and funding appropriation changes.

AGENCY COMMENTS

OCJP agrees with many of our recommendations and will act to implement them. The DHS has carefully considered our recommendations and has recently undertaken a number of activities to address them. Both OCJP and DHS recognize that duplicative, often conflicting requirements result in time lost to serving clients and increased administrative costs and are committed to making every effort to coordinate and consolidate domestic violence program activities to reduce any unnecessary duplication. ■

INTRODUCTION

BACKGROUND

Domestic violence is the leading cause of injuries to women aged 15 to 44 in the United States. It poses one of America's most serious threats to women, often resulting in devastating and long-term effects on battered women. Moreover, the effects extend to the children of these women. Although domestic violence is often defined as abuse against a spouse or cohabitant, adults are not its only victims. The significance of the problem in California can be seen in the following statistics:

- California law enforcement received 196,406 domestic violence calls in 2000.
- 135,156 of those calls involved weapons, including firearms and knives.
- Domestic violence arrests rose from 38,200 in 1989 to more than 51,200 in 2000.
- In 2000, domestic violence resulted in 147 murders.

In 1985, the Legislature initiated a statewide domestic violence assistance program to allocate funds to local domestic violence centers (shelters) to assist domestic violence victims and prevent family violence. It authorized the Office of Criminal Justice Planning (OCJP) as the state agency responsible for administering this program. OCJP also administers a number of related programs, including one that funds teams of law enforcement representatives and domestic violence advocates to immediately respond to domestic violence cases. It receives funding for its shelter-based program both from federal and state sources, with approximately half coming from the federal Victims of Crime Act as shown in Figure 1 on the following page. The shelter-based program awarded 75 shelters approximately $14.7 million in fiscal year 2001–02. Its

The 13 Domestic Violence Services*

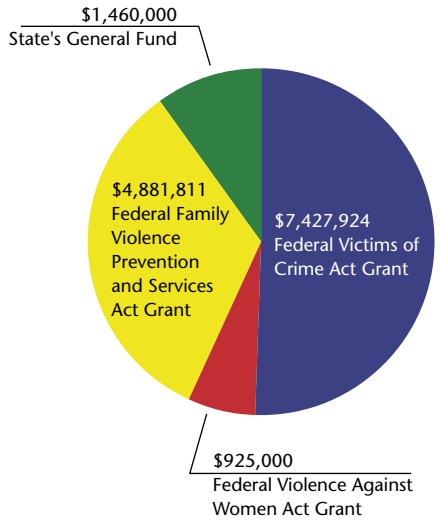
OCJP's authorizing statutes mandates that it provide funding and technical assistance to domestic violence shelters to implement the following services:

- Twenty-four hour crisis hotline
- Counseling
- Business center
- Emergency "safe" homes or shelter for victims and families
- Emergency food and clothing
- Emergency response to calls from law enforcement
- Hospital emergency room protocol and assistance
- Emergency transportation
- Supportive peer counseling
- Counseling for children
- Court and social advocacy
- Legal assistance with temporary restraining orders, devices, and custody disputes
- Community resource and referral
- Household establishment assistance

* OCJP's authorizing statute identifies 14 points. OCJP and DHS have combined counseling and supportive peer counseling into one service. Therefore, OCJP and DHS refer to this legislative requirement as the 13 services or standards.

FIGURE 1

OCJP Receives Both State and Federal Funds for Its Shelter-Based Domestic Violence Program



Source: OCJP domestic violence program funding chart for fiscal year 2001–02.

DHS's Domestic Violence Programs

Shelter-Based Services: This program funds direct services provided by domestic violence shelters to battered women and their children.

Partnership to Address Domestic Violence in Unserved/Underserved Communities: This program seeks to reach, involve, and impact individuals and communities not currently engaged in domestic violence intervention and prevention efforts.

Domestic Violence Prevention Planning Grants: This program assists shelters to initiate long-term strategic planning on how to prevent domestic violence.

Statewide Technical Assistance and Training Project: This program's primary goal is to strengthen the organizational capability of domestic violence service providers and enhance the ability of communities to design and implement domestic violence prevention activities.

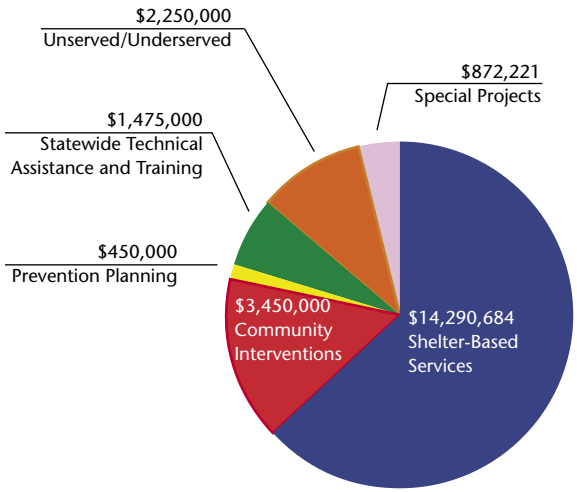
Community Domestic Violence Prevention Grants: This program is intended to promote the delivery of comprehensive domestic violence prevention activities in communities throughout the State.

authorizing statute defines shelters as entities that provide 13 mandated services, which are described in the text box on the previous page.

In 1994, to increase the capacity of domestic violence service providers to more fully respond to the needs of battered women and their children, the Legislature enacted the Battered Women Protection Act (act). Among other provisions, the act appropriated funds to the Department of Health Services' (DHS) Maternal and Child Health Branch to administer a comprehensive shelter-based program to provide services to battered women and their children. The DHS, whose overall mission is to protect and improve the health of all Californians, also administers other programs that, as depicted in the accompanying text box, fund domestic violence activities such as prevention, technical assistance, and services to unserved and underserved ethnic and racial communities of the State. The act's goal is to expand the availability of shelters and services for battered women and children throughout the State. DHS's domestic violence programs operate with an annual budget

FIGURE 2

DHS Awards the Majority of Its Domestic Violence Funds for Shelter-Based Services



Source: DHS domestic violence program funding chart for fiscal year 2001–02.

of nearly $23 million, which funds approximately 150 grants and contracts as shown in Figure 2. During the most recent funding cycle, the DHS's shelter-based program awarded $14.3 million of the $23 million to 91 shelters.

Both OCJP and DHS can decide which shelters they will fund and how much they will award. In its 1993 through 1996 funding cycle, OCJP used a competitive process to award grants; from July 1996 through September 2001, it continuously funded those shelters to which it had awarded grants in the previous cycle. However, for the 2001 through 2004 funding cycle, which began on October 1, 2001, the former executive director of OCJP decided to revert back to the competitive process because he believed it better ensured quality services. As a result, OCJP did not grant funding in the 2001 through 2004 cycle to 10 shelters it had previously funded. Because of public criticism, the State provided emergency funding equivalent to one year's worth of OCJP funding to the 10 shelters at the end of 2001. DHS has used a competitive funding process since its program began in 1994. During its most recent funding cycle, it did not award funds to 6 shelters that it had funded in the past because of those shelters' low-scoring applications. The State eventually funded 5 of these shelters as well.

In February 2002, the Senate Judiciary Committee, the Senate Select Committee on Government Oversight, and the California Women's Legislative Caucus held hearings regarding domestic violence funding issues at OCJP and DHS. In response to the concerns raised at these hearings, the California Women's Legislative Caucus requested an audit of OCJP's administration of its grant programs and of the respective domestic violence programs administered by OCJP and DHS. In April 2002, the Joint Legislative Audit Committee (audit committee) approved this audit request, which included the objective of identifying alternatives to the current administrative structure for the domestic violence programs.

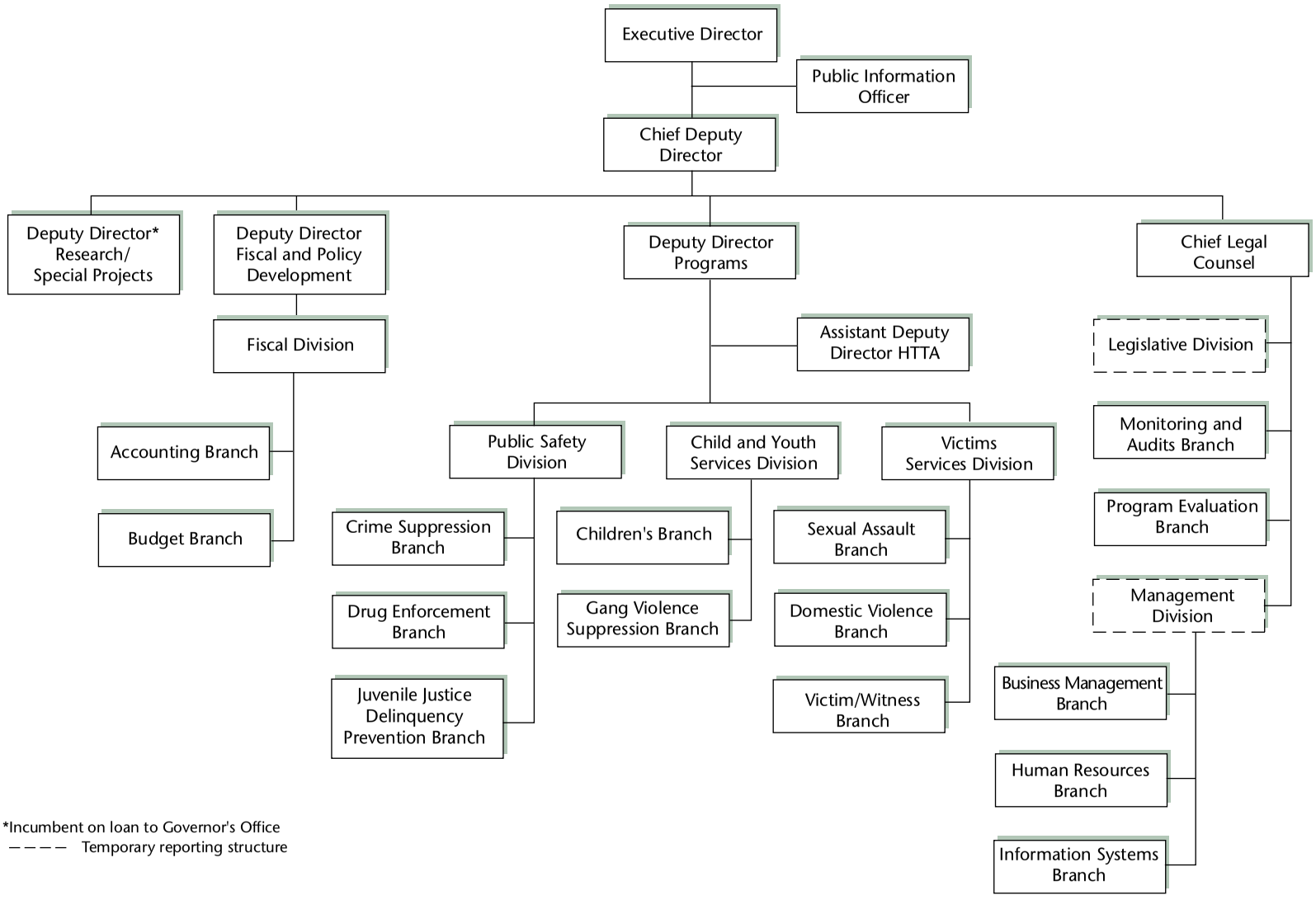
THE OFFICE OF CRIMINAL JUSTICE PLANNING

The OCJP's mission is to provide state and federal grant funds to local communities throughout the State to prevent crime and help crime victims. It is also responsible for developing state policies and programs to address issues and needs in the criminal justice field. To achieve its mission, OCJP is organized into three program divisions: public safety, child and youth services, and victim services. The public safety division funds law enforcement agencies to target criminals and drug traffickers and to work with communities to prevent crimes and juvenile delinquency. The child and youth services division funds organizations that treat and prevent child abuse and gang activity. The victim services division funds organizations that assist victims in overcoming the trauma of crimes committed against them and funds organizations seeking to help communities prevent violent crimes. In addition to these program divisions, OCJP also has administrative divisions and branches, including a program evaluation branch and a monitoring and audits branch as shown in Figure 3.

OCJP's program divisions administer approximately 1,200 grants through more than 100 programs, which originate through federal or state legislation or as items in the state budget. In fiscal year 2001–02, OCJP received $172.9 million in federal funds and $144.7 million in state funds, for a total of $317.6 million. Table 1 on page 12 shows that over the last three fiscal years, only 7 programs averaged $10 million or more in awards to grant recipients. These 7 programs accounted for 49 percent of the total funds awarded during the three-year period. Of OCJP's 120 programs, half were competitively awarded funds, while the other half were noncompetitive awards.

FIGURE 3

Office of Criminal Justice Planning Organization Chart



*Incumbent on loan to Governor's Office
– – – – Temporary reporting structure

TABLE 1

Seven OCJP Programs Granted Three-Year Average Awards of $10 Million or More Between 1999 and 2002

Range of Dollars Awarded	Number of Programs*	Total Dollars
$10 million or more	7	$125,610,310
$5.0-9.9 million	7	51,224,372
$1.0-4.9 million	27	60,042,715
$0-0.9 million	79	21,041,392
Total	**120**	**$257,918,789**

* Of the 120 programs, OCJP funds 60 programs competitively and 60 noncompetitively.

For this audit, we chose five programs to review from the list of OCJP programs shown in Appendix A. We based our choices on the amount of funds the programs awarded and the divisions that managed them. Our selection consisted of the juvenile accountability incentive block grant (juvenile accountability) program, multijurisdictional drug task force (drug control) program, statutory rape vertical prosecution (statutory rape) program, gang violence suppression (gang violence) program, and the domestic violence assistance (domestic violence) program. Between 1999 and 2002, these five programs accounted for 34 percent of OCJP's total average awards, with each average award ranging from $6.2 million to almost $41 million. OCJP competitively awarded funds for both the shelter-based program (part of the domestic violence assistance program) and the gang violence program. It did not, however, use a competitive process for the juvenile accountability, drug control, and statutory rape programs.

OCJP'S GRANT AWARD PROCESSES

OCJP's process for administering a program depends on the type of program, its funding sources, and any guidelines that external authorities, such as the federal government, impose upon it. OCJP has two primary methods for awarding grants—through requests for proposals (RFPs) and requests for applications (RFAs). The primary distinction between these two funding processes is that RFPs are competitive processes that may incorporate past performance as criteria for awards, and they allow OCJP

discretion in determining which entities obtain funding. RFAs, on the other hand, are noncompetitive processes that generally provide continual funding to all eligible applicants. For instance, all district attorneys in the State are eligible to participate in OCJP's statutory rape program; OCJP can therefore allocate enough money for all 58 counties. OCJP determines awards for RFAs using funding formulas that consider a variety of factors, such as populations or crime statistics.

Although both RFPs and RFAs require applicants to supply detailed information about how they propose to implement a program and how they plan to spend the money, RFPs differ in that OCJP ranks applicants' responses to help determine who receives funding. Three-person teams review and score the proposals according to criteria included in the RFP. OCJP then ranks the proposals by score and, after considering any concerns regarding applicants' past performances, funds them in descending order until the funding is exhausted. Depending on the type of program, OCJP may also factor in funding priorities in choosing the grant recipients, irrespective of the scores they receive. For example, some programs stipulate that OCJP must distribute funding to a certain number of recipients in rural areas or areas that have an overwhelming need.

OCJP's executive director has the final funding approval on most grants. Oversight boards, such as the State Advisory Group on Juvenile Justice and Delinquency Prevention or the State Advisory Committee on Sexual Assault, must approve others. Unsuccessful applicants may appeal to OCJP and the California Council on Criminal Justice.

SCOPE AND METHODOLOGY

The audit committee requested that the Bureau of State Audits audit OCJP's administration of grant programs. The audit committee also asked that we review the domestic violence programs administered by OCJP and DHS and identify alternative administrative structures.

As part of our audit, we selected four OCJP programs for review based upon the amount of grant funds they awarded, while also ensuring that we reviewed programs that different divisions manage. In addition to the domestic violence program, we selected the multijurisdictional drug task force program, the vertical prosecution of statutory rape program, and the juvenile

accountability incentive program. For our grant application review, we also included the gang violence suppression program, since its application process is similar to that of the domestic violence assistance program. We reviewed the relevant laws, rules, and regulations for each of the programs we selected.

To determine if OCJP's and DHS's grant award processes are fair and consistent, we reviewed and assessed their policies and practices for administering their respective grant programs. We evaluated OCJP's grant application, grant award, and grant appeals processes for each of the four programs we selected, as well as its application process for the gang violence suppression program. We also evaluated DHS's grant application, grant award, and grant appeal processes for the shelter-based portion of its domestic violence program.

We also examined OCJP's and DHS's oversight activities and monitoring of their respective grant programs to determine if they adequately oversee these programs. As part of this testing, we examined the evaluations conducted by OCJP to determine their content, quality, and usefulness.

To determine if OCJP's administrative activities and costs were reasonable, we reviewed its processes for charging personnel costs to its programs. We also obtained information regarding its process for allocating indirect costs, such as rent.

We examined the overlap in the domestic violence programs administered by OCJP and DHS to identify alternatives to their current structure that might increase administrative efficiency, reduce duplication of effort, and provide the maximum funding to eligible applicants. To determine whether continual, competitive, or a combination of the two funding mechanisms would be feasible for the domestic violence programs, we interviewed staff at DHS and OCJP. We also interviewed officials in charge of domestic violence programs in four other states to determine how they administer their domestic violence programs and to obtain information about their grant award and oversight processes. ■

CHAPTER 1

The Office of Criminal Justice Planning Can Improve How It Administers Grants

CHAPTER SUMMARY

The Office of Criminal Justice Planning (OCJP) has not fulfilled all of its responsibilities in administering state and federal grants. Specifically, our review of OCJP's administration of five of its programs found certain weaknesses in its processes for awarding grants, monitoring grant recipients, evaluating program effectiveness, and assigning overhead costs.[1] The problems in OCJP's grant award process are particularly significant; as these may leave it vulnerable to the perception that its awards are not equitable. For example, it has not adopted guidelines to establish when a grant recipient's past performance has been sufficiently poor to prevent it from being awarded funds during the next grant cycle, nor has it established a systematic enough review process to identify grant recipients with poor past performance. Further, OCJP has not always provided grant applicants to which it denied awards the necessary information or time to challenge its decisions, and it has missed opportunities to seek the guidance an advisory committee could provide regarding certain decisions that affect program administration.

In addition, OCJP has not consistently monitored its grant recipients' activities as required by its own policies. It has not visited all grant recipients in a timely manner nor considered a process to prioritize its visits to ensure that struggling grant recipients receive the help they need. OCJP also has often failed to document appropriate follow-up with grant recipients that have not submitted required reports on time, and once it has received the required reports, it has often failed to review them promptly. Moreover, when OCJP has identified problems through site visits or reports, it has not always conducted appropriate follow-up to ensure resolution. Finally, a portion of OCJP's audit review duplicates work done by another state entity and could be eliminated for an annual savings of nearly $23,000.

[1] The 5 programs we reviewed received a three-year average funding amount of $86.4 million, or 30 percent of the roughly $287.6 million in federal and state funds that OCJP allocated in fiscal year 2001–02 to the 120 programs it administers. We have included a list of the 5 programs we reviewed in the Scope and Methodology section.

We also found weaknesses in OCJP's evaluations process to assess how well funded activities have achieved a grant's or program's objectives. OCJP's evaluation branch has not developed a planning process for evaluations or used proper contracting procedures. As a result, during the last three years, the branch spent $2.1 million on activities that culminated in evaluations that at times lacked quality, content, and usefulness. It has no guidelines for determining what programs would profit most from evaluations, how detailed the evaluations should be, what criteria the evaluations must satisfy, and, until recently, how best to ensure that recommendations will be implemented. It has also failed to follow proper contracting procedures. It was lax in its inclusion of measurable deliverables in one contract and in its oversight of deliverables in others, and it inappropriately entered into an agreement with a University of California extension school.

Finally, OCJP's method for assigning overhead and personnel costs to the programs it administers may not be equitable or accurate. Specifically, OCJP has not applied overhead costs consistently and has not kept adequate records of its allocation decisions. It also has not required its employees to keep track of their activities when working on multiple programs, as mandated by federal grant guidelines.

WEAKNESSES IN OCJP'S PROCESS FOR AWARDING GRANTS MAY RESULT IN THE APPEARANCE THAT ITS AWARDS ARE ARBITRARY OR UNFAIR

OCJP's process for awarding grants may not always ensure that its awards are equitable and appropriate. Specifically, because OCJP has not adopted guidelines regarding the weight it will give poor past performance when deciding whether to continue funding previous grant recipients, it has exposed itself to the perception that it may not treat all applicants fairly. The problems associated with its lack of guidelines regarding this issue have been further compounded by the fact that it has not conducted systematic reviews of its grant recipients' records when identifying those with poor past performance. In addition, its appeals process for applicants that it turns down is flawed and, as a result, it has not always given applicants the information or the time necessary to present appeals. In fact, in two cases, it sent out misleading letters regarding the reasons applicants were not funded. Further, although an advisory committee can be a means for receiving guidance on how to create requests for

proposals, establish funding levels, and improve oversight, OCJP has missed opportunities to receive direction from such committees that often include grant recipients and related advocacy group representatives.

OCJP Lacks Guidelines and a Structured Review Process for Denying Funding to Applicants on the Basis of Their Past Performance

OCJP has not developed specific criteria or guidelines to judge what weights to give past performance issues.

As discussed in the Introduction, OCJP has two processes for awarding grants—one competitive and one noncompetitive. It states in its application documents for competitive grants that OCJP has the right to consider previous recipients' past performance when making funding decisions. However, it has not developed specific criteria or guidelines to judge what weights to give past performance issues. As a result, applicants may perceive its decisions to increase oversight or remove previous recipients from a grant's next funding cycle based on past performance as arbitrary and unfair.

OCJP does not have a process for reviewing the records of all prior grant recipients that is systematic enough to identify their past performance problems and assess what effect, if any, such past performance will have on funding decisions. When determining awards, OCJP uses rating teams to score the competing applications, then generates a list that ranks qualified grant recipients based on their scores. Once this list is complete, OCJP then considers any past performance issues that relate to qualified applicants and recommends whether these applicants should be funded, regardless of their ranking. According to one of OCJP's branch chiefs, staff currently identify past performance concerns of grant recipients through a manual review of OCJP's database for those recipients whose scores are sufficient to qualify for funding. Such prior performance issues would be noted in the funding recommendations made by program staff and forwarded to the respective branch chief and OCJP's management for review and approval. Although this process may provide insight on the past performance of some grant recipients, as we discuss in the later sections of this chapter, OCJP is inconsistent in many of its oversight activities. Its database therefore does not reflect all of the concerns that have been identified through a site visit or report—concerns on which it failed to follow up. Furthermore, without a system for weighing the relative importance of various past performance issues, one staff may attach more or less importance to a particular performance aspect than another

staff would. As a result, OCJP cannot ensure fairness in its funding recommendations because staff may overlook certain grant recipients that had problems with past performance while focusing instead on others. Only a more systematic review can ensure that OCJP treats all past grant recipients fairly.

Once staff rank applicants and make funding recommendations, in most cases OCJP's executive director makes the final decision regarding funding. The executive director can override staff recommendations if he or she chooses. For example, in its 2001 domestic violence grant award process, OCJP staff noted past performance issues related to four shelters but recommended that all but one receive funding. However, the former executive director opposed the recommendation to fund one of the remaining three. Although the four shelters had been cited for a variety of past performance issues, all had scored sufficiently high on their respective applications to be funded. The past performance problems of the two shelters that OCJP ultimately denied funding included failing to submit audit reports, co-mingling funds, inaccurate reporting of service data, and lack of documentation for claimed costs.

Although OCJP's decisions not to fund two shelters may have been justified, it did not adequately document the reasons for its decisions.

Although OCJP's decisions not to fund these two shelters may have been justified, it did not adequately document the reasons for its decisions. Moreover, staff does not appear to have considered all past performance issues when making their recommendations. Staff communicated their recommendations to the former executive director through a memorandum dated August 10, 2001, that contained a written discussion of the past problems associated with the four shelters. OCJP included no other information in the memorandum regarding the basis for the staff's recommendations or the former executive director's opposition. When we reviewed OCJP's records for these applicants, we found that the discussion of past performance included in the August 10 memorandum was not complete. For example, in the case of one shelter that was recommended for funding by staff but opposed by the former executive director, the description of the shelter's past performance problems did not include all the past issues contained in its file.

In opposing staff's recommendation to fund this shelter, the former executive director apparently required information beyond the staff's written discussion of the shelter's past problems. When the branch chief prepared a memorandum dated August 29, 2001, to OCJP's former legal counsel

seeking advice on funding this shelter, she cited 11 past performance concerns, 10 of which were not included in staff's recommendation package. According to another memorandum from the branch chief to the former executive director dated the next day, the branch chief met with OCJP's former legal counsel, who agreed that the information concerning the shelter's past activities was sufficient to support a recommendation against awarding it funds. The branch chief subsequently recommended revising the earlier recommendation to fund the shelter. OCJP believes that the actions taken by the former executive director were within his authority under state law. However, because OCJP lacks guidelines for these situations, it leaves itself open to claims that these actions were arbitrary and unfair.

Two shelters that were denied funding did not receive specific warnings indicating that due to their poor past performance, future funding might be in jeopardy.

Furthermore, it appears that the two domestic violence shelters that OCJP denied funding because of past performance issues did not receive specific warnings that future grants might be in jeopardy. While both shelters had received the standard notice that OCJP sends to any shelter when their audit reports are late, these letters did not state that the shelters' future funding could be in jeopardy for such actions. In fact, both shelters received indications that despite some earlier problems, OCJP judged their subsequent performance to be satisfactory. For example, one shelter had been the subject of a special OCJP audit, which resulted in OCJP questioning the propriety of over $600,000 in costs. However, by the time it evaluated the 2001 grant proposals, OCJP had resolved its concerns and had only invoiced the shelter for $67 in questioned costs. Similarly, the other shelter that was denied funding for past performance had received a site visit report that indicated everything was going well two months before OCJP's funding decision. If OCJP had sent separate warning letters to these two shelters notifying them that their poor past performance would prevent funding unless specific changes were made by the time proposals were requested, the shelters might have resolved the problems or at least anticipated that their funding might end. On October 2, 2002, OCJP's interim executive director placed a moratorium on using an applicant's past performance in any funding decisions until a formal policy on this issue is developed and put into effect.

When Denying Awards, OCJP Has Not Given Applicants the Information or Time Necessary to Appeal Its Decisions

OCJP stipulates that applicants can appeal its grant award decisions by showing that it either deviated from its described funding priorities or used different grading criteria. However,

OCJP's appeal process does not guarantee that grant applicants will have sufficient time to file appeals.

OCJP's process for notifying applicants that they have been denied funding may hinder or prohibit these applicants from filing appeals. OCJP sends out a standard rejection letter that includes both their scores and the total points possible informing denied applicants that they were not selected for funding. Because this letter does not specifically state why an applicant was not selected for funding, the applicant might assume that the score was the reason. For instance, in the case of the two shelters that were not funded because of their past performance, OCJP sent each one its boilerplate rejection letter that included the applicants' scores but did not mention the applicants' past performance shortcomings. Not realizing why it was not funded, one of the two applicants filed an appeal that did not adequately address past performance issues. OCJP ultimately denied the appeal.

Moreover, OCJP's appeal process does not guarantee that grant applicants will have sufficient time to file appeals. OCJP's guidelines state that applicants must file justifications for appeals within 10 calendar days for state-funded grants and 14 calendar days for federally funded grants of the date of the letter notifying them of OCJP's grant award decision. Because the date of OCJP's notification letter rather than the date applicants actually receive the letter starts the clock on the 10- or 14-day period, OCJP deprives applicants of the full period to justify and file appeals.

OCJP Has Not Consistently Used Advisory Committees to Receive Guidance and Input From Grant Recipients and Related Advocacy Groups

Although advisory committees can provide guidance and serve as a forum where stakeholders such as the grant recipients and related advocacy groups affect the focus of a program and the manner in which it is administered, OCJP has missed opportunities to avail itself of their benefits. For example, OCJP's domestic violence program is not currently required by statute to have an advisory committee. However, had it obtained input from a committee representing stakeholders, OCJP might have avoided the recent problems experienced by the program regarding its 2001 funding decisions and funding priorities. An advisory committee could have helped establish guidelines for factoring past performance into OCJP's funding decisions and provided guidance on other issues that could reduce tensions and misunderstandings between the shelters and the program. For instance, one of Texas's domestic violence programs asks its

Recent legislation will require that OCJP form an advisory committee for its domestic violence program.

advisory committee to make recommendations on the level of funding for shelters. OCJP indicated it is considering forming an advisory committee for its domestic violence program, and recent legislation that takes effect on January 1, 2003, will require one.

OCJP DOES NOT PROVIDE CONSISTENT AND PROMPT OVERSIGHT OF GRANT RECIPIENTS

Although OCJP conducts a variety of oversight activities, its efforts lack consistency and timeliness. It has not visited grant recipients as planned and has not considered prioritizing its visits to first monitor recipients with the highest risk of problems. It has also been inconsistent in following up on its grant recipients' submission of required reports, and it has not always reviewed required reports promptly and consistently. In addition, it has spent nearly $23,000 per year to review audit reports that another state agency also reviewed. Finally, it has not always conducted sufficient follow-up on reports once it notified grant recipients of performance problems.

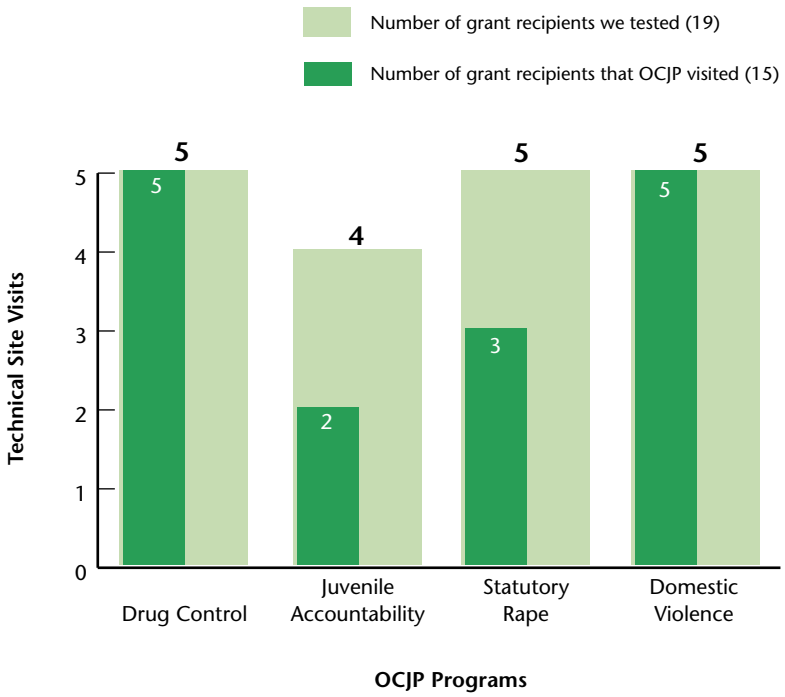
OCJP Has Not Performed Planned Site Visits, nor Has It Established a Policy for Prioritizing Visits

OCJP has not consistently performed either technical or monitoring site visits of its grant recipients within its established timelines. In a technical site visit, an OCJP program specialist provides technical advice and makes an on-site assessment of the activities a grant recipient conducts that relate to a particular grant, while during a monitoring visit, an OCJP monitor reviews a grant recipient's compliance with the applicable requirements of the grant. When OCJP fails to make technical and monitoring site visits, it cannot ensure that recipients address technical problems promptly or follow all applicable requirements.

OCJP management said it is OCJP's informal policy to perform a technical site visit on newly funded grant recipients within the first six months of the grant period. However, of the 14 newly funded recipients we tested from its domestic violence program, OCJP visited only 3 within the required timeframe. OCJP did a better job visiting its established grant recipients, which, according to its informal policy, are supposed to receive a technical site visit at least once every three years. Nevertheless, of the 19 established grant recipients we tested, 4 had not received a site visit within the last three years, as shown in Figure 4 on the following page. OCJP stated that workload contributed to its inability to conduct planned technical site visits.

FIGURE 4

OCJP Did Not Conduct Technical Site Visits for All Grant Recipients in the Past Three Years

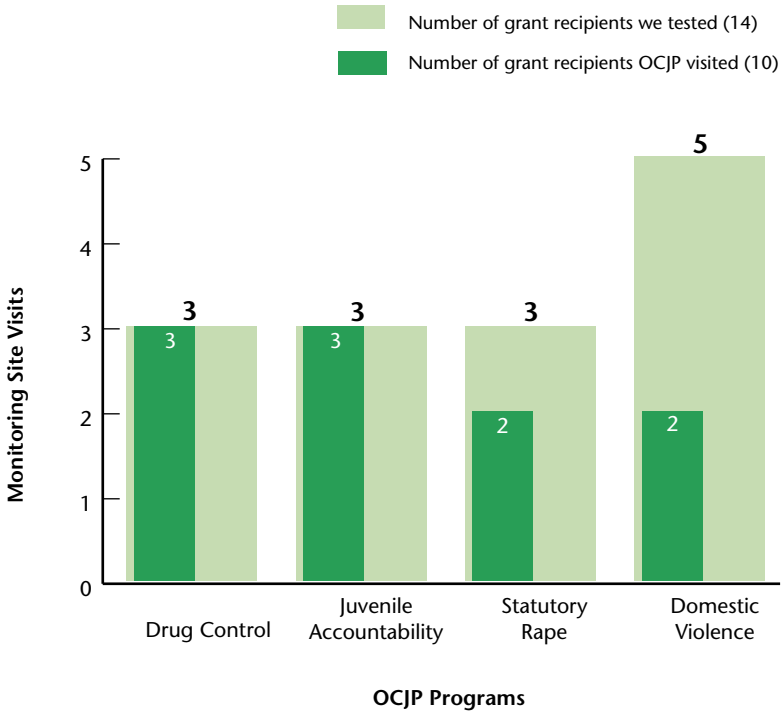


Source: OCJP files.

For monitoring site visits, OCJP has established a goal of conducting visits of all its grant recipients within a three-year period. As Figure 5 shows, we reviewed 14 grant recipients to verify that each had received a monitoring site visit within the past three years and found that 4 had not. Moreover, according to OCJP's records, over the last three years, it has only monitored 329 of its 555 grant recipients, or 59 percent. Given the current workload for its four monitors, OCJP does not believe it will be able to increase the pace of its monitoring visits. Yet, despite the belief that it cannot monitor all the grants it administers within the three-year goal, OCJP has not considered a review process that factors in the possibility that some grant recipients may be more at risk than others of not fulfilling grant requirements. Currently, OCJP conducts some monitoring visits when program staff informally reports a concern regarding a grant recipient's performance; however, in many cases, it selects recipients for review based on their proximity to other recipients that it has scheduled for visits. While this selection process may reduce travel time and costs,

FIGURE 5

OCJP Has Not Conducted Monitoring Site Visits for All Grant Recipients Within the Past Three Years



Source: OCJP files.

it does not ensure that high-risk grant recipients get prompt assistance and oversight that will help them achieve their grant objectives and comply with state guidelines and federal grant requirements.

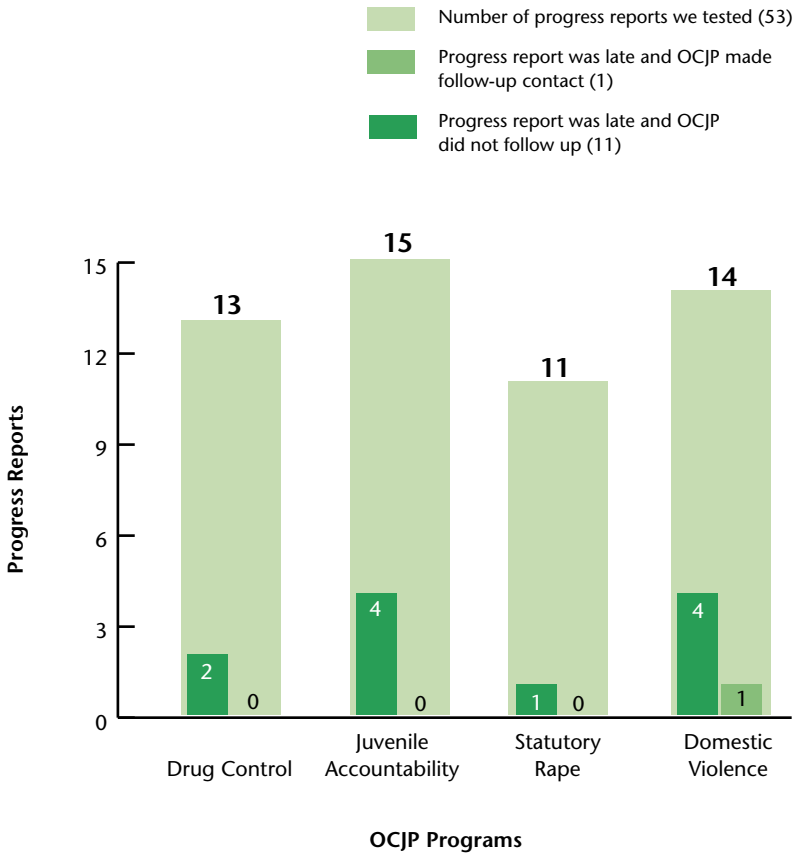
OCJP Has Not Always Followed Up With Grant Recipients That Failed to Submit Required Reports On Time

OCJP's failure to follow up with grant recipients that have not submitted required progress and audit reports in a timely manner has hindered its ability to determine whether the recipients are appropriately accomplishing the grant's goals and objectives. The department requires grant recipients to submit progress reports approximately 30 days after the end of a reporting period that provide statistics and narrative regarding their progress in achieving grant objectives during the period. However, we found that 12 of the 53 progress reports we reviewed were submitted more than 30 days after their due dates, and that only one grant recipient was sent a late notice, as shown in Figure 6 on the following page. Although OCJP indicated that

it instructs its staff to contact grant recipients when progress reports are late, it has not established a standard process for conducting and documenting such follow-up. As a result, the degree of follow-up appears to vary depending on the experience and workload of individual staff members. Aside from the single late notice, OCJP could not provide evidence of any communication it had concerning the 12 late progress reports from our review, and it appears that its staff did not formally contact the remaining 11 grant recipients or keep documentation of any informal follow-up efforts, including logs of phone calls or e-mails.

FIGURE 6

Over the Last Three Years, OCJP Could Not Demonstrate That It Followed Up With Grantees When Progress Reports Were Late



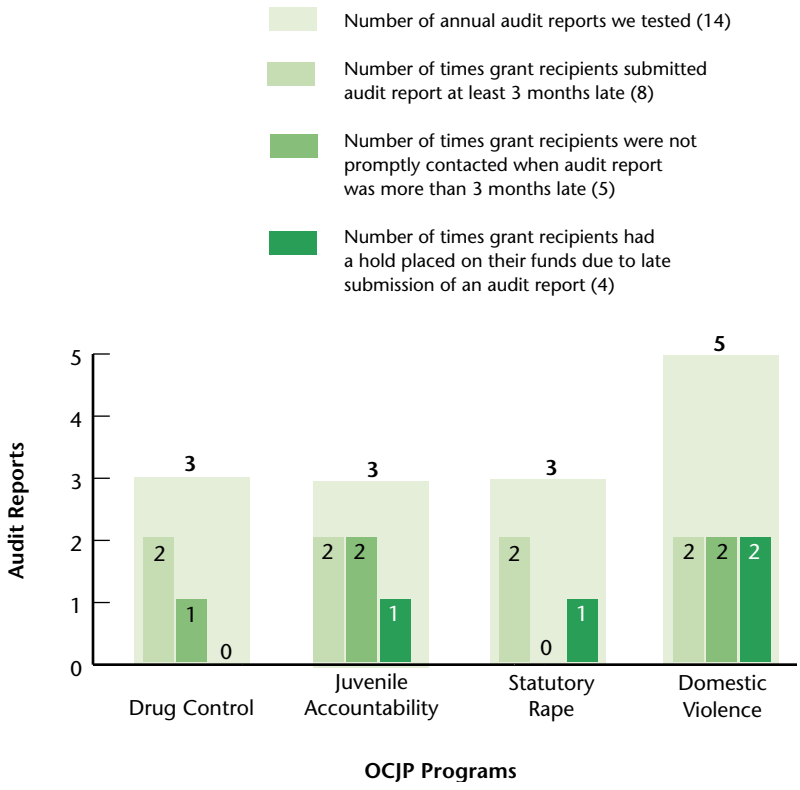
Source: OCJP files.

OCJP also requires that grant recipients submit annual financial audits to ensure that they are spending federal and state funds according to grant requirements. OCJP's grant recipient handbook states that when an audit report is late, it will send the recipient two late notices within 3 months of the due date and

then will place current funds on hold until it receives the report. Although 8 of the 14 audit reports we reviewed were submitted more than 3 months late, OCJP did not contact five of the grant recipients within the 3 months specified by its policy, as shown in Figure 7. In addition, OCJP failed to place a hold on the funds for four of the grant recipients even though their reports ranged from 3.6 months to over 15 months late. OCJP indicated that its failure to follow up on late audit reports as directed by its guidelines was the result of staff workload and error. However, when it does not promptly follow up on the late submission of required audit reports, OCJP increases the risk that it may not detect grant recipients that may be spending federal and state funds inappropriately.

FIGURE 7

Over the Last Three Years, OCJP Did Not Always Follow Up With Grant Recipients That Did Not Submit Audit Reports in a Timely Manner



Source: OCJP files.

OCJP Has Not Promptly Reviewed Required Reports

OCJP has a backlog of more than 700 unreviewed audit reports because the contract it had for review services with an outside firm expired and was not renewed for a year.

Because OCJP has not consistently reviewed required reports submitted by grant recipients, it has been unable to promptly address problems identified within them. For example, OCJP reports having a backlog of over 700 unreviewed audit reports because it allowed a contract with an outside accounting firm to review these reports to lapse on June 30, 2001, and did not sign a contract with a new party until June 2002. OCJP's two internal auditors, who generally also review these reports, were working to complete OCJP's internal audit during this period. OCJP originally intended to renew its contract with the outside accounting firm. But staff turnover within OCJP and its concerns regarding the firm's performance during the prior contract period caused OCJP to delay signing the proposed contract, and in November 2001, the firm withdrew from the proposed contract. Because this firm had been the only qualified respondent to its solicitation for competitive proposals, OCJP then had to seek new parties interested in bidding for the contract. After issuing solicitation letters to two state agencies, OCJP entered into an interagency agreement with the Department of Finance (Finance) in June 2002 to conduct these reviews and other audit functions.

During fiscal year 2001–02, when OCJP was not reviewing audit reports, it violated federal guidelines requiring that it review audit reports within six months of their receipt, and it failed to receive important information regarding grant recipients' performance. We reviewed 100 of OCJP's backlogged reports and found that 24 contained information requiring further investigation or resolution. Seven of the reports contained questioned costs, such as claims for reimbursement for costs that were not allowable according to the grant, for a total of $10,651. One of the reports not only contained questioned costs of more than $2,600 for the current year, but also over $5,700 in questioned costs for the prior year that had not been resolved. We also noted that 17 audit reports contained administrative findings, such as grant recipients lacking procurement policies and personnel files missing required documents. Because OCJP has yet to review these reports, it is unaware it needs to further investigate the questioned costs, to evaluate grant recipients' corrective action plans to ensure they are sufficient, and to assess whether grant recipients have taken appropriate actions to resolve all identified findings.[2]

[2] As we discuss in more detail in the next section, the State Controller's Office reviews the audit reports for grant recipients that are municipalities and sends OCJP any relevant findings. However, even in these instances, OCJP did not follow up on the findings.

Almost one-quarter of the 100 audit reports we reviewed from among the 700 OCJP has yet to review contained questioned costs and administrative findings.

We also examined 10 audit reports that grant recipients submitted prior to July 2001 to determine how well OCJP's outside accounting firm had performed the audit review process before its contract expired. We found that the contractor had not reviewed any of the 10 reports within six months of their receipt as required, and 3 reports had yet to be reviewed at the time of our testing in July 2002. OCJP stated that even when it had contracted out for audit review services, the accounting firm with which it contracted might not have been reviewing the reports within the timelines required. When OCJP does not ensure that audit reports are promptly and consistently reviewed, it is unable to quickly identify problems before they become more serious. Consequently, it limits its ability to ensure that grant recipients comply with grant requirements.

OCJP's Audit Reviews of Municipalities Duplicates Work Done by the State Controller's Office

Although the State Controller's Office (SCO) already reviews the audit reports of many OCJP grant recipients, OCJP has also chosen to conduct a similar review of the same audit reports. The SCO reviews audit reports of municipalities such as cities, counties, and school districts to ensure compliance with government auditing standards and identify audit findings relating to federally funded programs. The SCO sends the appropriate administering state entity—such as OCJP—copies of the audit report and the grant recipient's corrective action plan for any findings that pertain to the recipient's use of federal funds. The state department that administers the grant is then responsible for following up on the grant recipient's implementation of those aspects of the corrective action plan. Yet regardless of whether it receives any communication from the SCO, OCJP performs an identical review of municipalities' audit reports, the only difference being that it also reconciles audited expenditure figures related to the programs it administers to the amount of expenditures that the grant recipient has requested be reimbursed. OCJP staff stated that the reason they do not rely on the SCO's reviews of municipal audit reports is that frequently OCJP does not receive the SCO's reviews promptly enough to conduct any needed follow-up with grant recipients within the time period required by federal regulations. To determine if the SCO is late in sending its reviews to OCJP, we tested 11 municipal audit reports. We found that the SCO's reviews for 8 were received by OCJP early enough for it to have relied on the SCO's work and still had three months or longer, ample time to follow up with grant recipients as necessary within the time allowed by

federal requirements. Nevertheless, except for one step that the SCO does not perform, OCJP needlessly duplicated almost all of the SCO's review for four of the reports in our sample.

If OCJP were to avoid duplicating the review that the SCO conducts of its municipal grant recipients, it could save almost $23,000 per year.

Of OCJP's 509 grant recipients during fiscal year 2001–02, 228 were municipalities. In its fiscal year 2002–03 interagency agreement with Finance, OCJP estimated that each audit report review takes four hours to complete at a cost of $50 per hour, or $200 per review. Thus, OCJP currently pays approximately $45,600 each year to review the audit reports of the 228 municipalities. OCJP's internal auditors estimated that they usually accomplish the reconciliation of OCJP reimbursements to the figure in the audit report (the one step not duplicated by the SCO) in one to two hours. Therefore, if OCJP directed Finance to confine its review of audit reports of municipalities to only this one step, it could save as much as $100 per audit review (two hours multiplied by $50), totaling $22,800 per year.

OCJP Has Not Ensured That Grant Recipients Promptly Implement Corrective Actions When It Identifies Problems

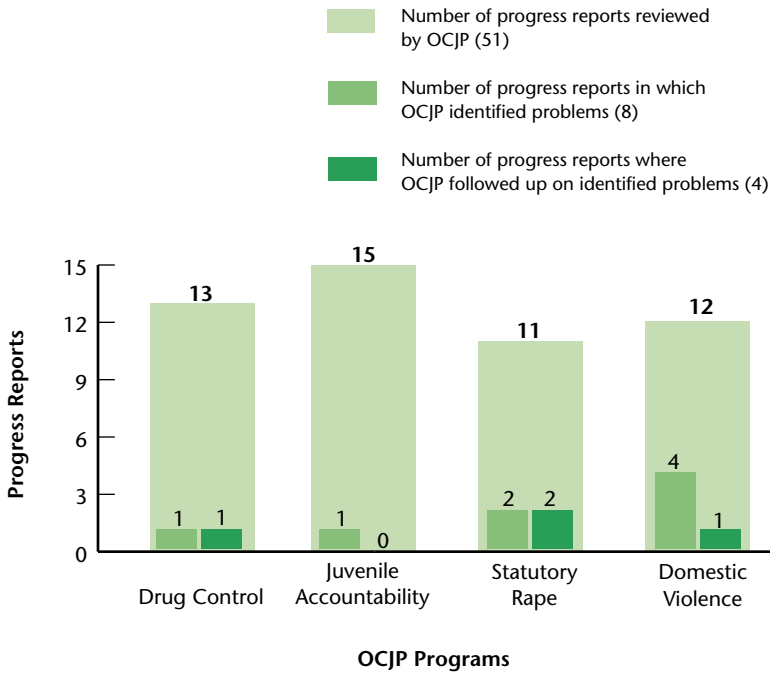
OCJP has not always ensured that grant recipients resolve problems it identifies from progress reports, technical site visits, or monitoring visits, in part because it does not have a formal process for following up on such problems and documenting those efforts. For example, Figure 8 shows that OCJP could not provide evidence that it followed up on the resolution efforts for four of eight progress reports we sampled that had identified problems. Further, Figure 9 on page 30 shows it could not provide evidence of follow-up for 8 of the 14 technical site visits OCJP conducted in which it had requested documents that the grant recipients never sent. Although program staff stated that they might call or e-mail grant recipients with problems, these informal follow-ups were inconsistently documented. When OCJP does not systematically document its follow-up efforts on the resolution of problems it identifies, it cannot ensure that grant recipients have adequately addressed its concerns and improved their performance.

Additionally, OCJP monitors have not reviewed or approved corrective action plans addressing problems that they identified through monitoring visits. OCJP's policy requires that grant recipients develop a corrective action plan addressing the problems identified in monitoring reports with the help of their program specialists, who are OCJP staff separate from OCJP monitoring staff. However, the policy does not require that

grant recipients submit copies of their corrective action plans to the monitors who conducted the visits and identified the problems, and program specialists have not always voluntarily submitted copies of the corrective action plans to the monitors. Without reviewing the corrective action plan, the monitors cannot be sure that the problems they identified in the visits were adequately addressed; therefore, they cannot ensure that the grant recipients have reformed their processes to comply with federal and state grant requirements.

FIGURE 8

OCJP Did Not Follow Up on All Progress Reports in Which It Identified Problems

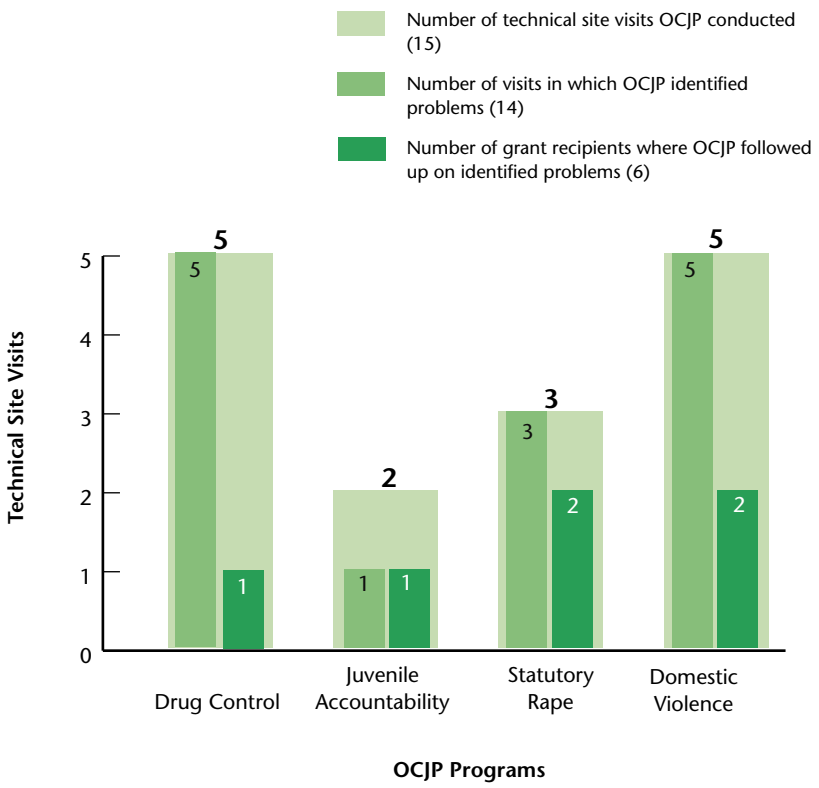


Source: OCJP files.

OCJP's follow-up on implementation of a grant recipient's corrective action plan further compounds the potential for unresolved problems by failing to specifically address each of the problems identified in a monitoring report. Instead, six months after a monitoring site visit, OCJP's monitoring branch sends a grant recipient a form that allows the recipient to check a box "yes" or "no" to indicate whether it completed a corrective action plan, whether it submitted a corrective action plan, and whether it implemented the corrective action plan. The form does not require the grant recipient to specifically address each of the problems raised in the monitoring report; nor does it require the recipient to describe the implementation

FIGURE 9

OCJP Could Not Provide Evidence That It Followed Up on All Technical Site Visits in Which It Identified Problems



Source: OCJP files.

of the corrective action plan as it relates to each problem. By not requiring this information, OCJP cannot ensure that grant recipients have carried out their planned actions that will help them comply with federal and state grant requirements.

OCJP also waits a full year before ensuring that grant recipients have corrected problems that are identified through the recipients' annual audit reports. As previously discussed, OCJP requires that each grant recipient obtain and submit an annual audit of its activities from a CPA firm. The CPA firm notifies the grant recipient of any findings identified during the audit, and the grant recipient develops a corrective action plan to address each of the findings, which it includes as part of the report it submits to OCJP. During its review of the report, OCJP determines if the corrective action plan is appropriate. However, although federal and state guidelines require it to do so, OCJP does not promptly follow up on the implementation of the corrective action plan. Instead, OCJP stated that it waits until it

reviews the grant recipient's following year audit report, which contains a status report on the grant recipient's resolution of the prior year's findings. It therefore cannot promptly ensure that grant recipients have adequately addressed problems identified in the audit reports.

OCJP HAS NOT PROPERLY PLANNED ITS EVALUATIONS OR MANAGED ITS EVALUATION CONTRACTS

The purpose of an evaluation is to provide decision makers with information about what works and what does not work for a program, agency, and/or grant recipient.[3] An evaluation differs from monitoring in that monitoring determines if an individual grant recipient complies with the provisions of the grant as well as applicable state and federal laws and regulations. An evaluation, on the other hand, assesses how well all of the funded activities as a whole have achieved a grant's or program's objectives. To better distinguish between monitoring and evaluation, the Legislative Analyst's Office (LAO) highlighted elements that we believe would allow OCJP to measure whether each phase of a grant recipient's activities did or did not work, if the recipient achieved the grant's objectives, whether grant funds were expended so as to obtain the best value, and whether the grant recipient succeeded in addressing the problem the grant was intended to solve. To conduct evaluations of programs and activities funded through its grants, OCJP created its evaluations branch in 1996. It also has contracted for evaluation services with the University of California (UC) and the California State University (CSU).

Over the last three fiscal years OCJP has spent $2.1 million on activities culminating in evaluations of uneven quality, content, and usefulness.

Money spent on evaluations reduces the funds available for other administrative activities or grant awards. Over the last three fiscal years, the evaluations branch at OCJP spent approximately $2.1 million on activities culminating in evaluations that proved to be of uneven quality, content, and usefulness because of OCJP's lack of proper planning and poor contract management. OCJP has no process to determine what programs or activities would profit most from an evaluation, how rigorous evaluations should be, or what criteria the evaluations should address. Only recently did it develop a process to show how the results of an evaluation should be shared among program staff and the evaluators so they will

[3] A program consists of goals and objectives established by a funding agency to address a problem. In the case of these evaluations, a program includes both OCJP's efforts to administer and oversee funds and grant recipient's activities to meet program goals and objectives.

have a greater chance to lead to reforms. OCJP's evaluations branch also failed to include measurable deliverables in the scope of work of one evaluation contract and did not hold contractors responsible for providing key deliverables in other contracts. In fact, because of the lack of measurable deliverables in the one contract, OCJP will have no recourse if the related evaluations are incomplete or do not meet its needs. In addition, OCJP improperly used an interagency agreement with a UC campus extension to hire evaluators when it should have received competitive bids for these services.

OCJP Lacks a Process for Planning Its Evaluations

Various funding requirements and laws require OCJP to evaluate certain programs. One of OCJP's federal fund sources, the Byrne Formula Grant (Byrne), which funds drug control programs, generally requires that each program it funds be evaluated. State law also requires that OCJP report annually to the Legislature concerning its child abuser vertical prosecution program, which aims to increase child abuse convictions by funding district attorney offices so that one attorney can follow a case from the time charges are first filed to the case's completion. The purpose of this evaluation is to determine the program's effectiveness by measuring certain outcomes, such as a comparison of the child abuse conviction rates and yearly program per capita costs of counties that received grant funds to the yearly cost of prosecuting these crimes in those that did not.

Most of OCJP's programs do not have mandated evaluation requirements; OCJP has the discretion to determine if and when to evaluate these programs.

Because most of OCJP's programs do not have mandated evaluation requirements, however, OCJP has the discretion to determine if and when it will evaluate these programs. Yet rather than developing a planning process to determine which programs would benefit most from evaluations or what types of evaluations it should conduct, OCJP has in recent years evaluated as many programs as possible with the funds it had available, allowing evaluation staff flexibility in planning how the evaluations would be conducted and what deliverables would be produced. By not having a more formalized process for selecting programs for evaluation, OCJP has risked performing unnecessary evaluations while possibly missing programs that needed evaluation. According to the chief legal counsel who currently oversees the evaluations branch, the branch chief has been out on leave since September 2001. She also stated that OCJP's current priority is to first complete any mandated evaluations and then finish the evaluations already in progress.

In addition to lacking a formal process for choosing what programs to evaluate, OCJP has not determined what its evaluations should include and when in-depth evaluations may be necessary. The National Institute of Justice, in conjunction with the Bureau of Justice Assistance, established guidelines for Byrne grant evaluations that describe two types of evaluations, process and impact, that states may use for programs that receive this funding (see text box). To the extent feasible, federal guidelines for this grant encourage the more rigorous impact evaluations, which determine the extent that the program achieved its goals, but process evaluations can also be valuable, since these offer an opportunity to determine if a program is meeting its initial objectives and to assess the results or outcomes at various grant recipient sites.

Types of Program Evaluations Required by Federal Byrne Grant

Process Evaluation: Documents the implementation of a program and how well it is meeting its initial objectives. Performing process evaluations establishes the foundation for more intensive impact evaluations. States are required to conduct, at a minimum, a process evaluation of every program that the Byrne grant funds.

Impact Evaluation: Determines the extent that a program achieves its goals—if the program had a positive impact on the problem that it was expected to solve. To the extent feasible, grant guidelines encourage states to conduct impact evaluations.

These two types of evaluations appear to serve as appropriate models for OCJP's evaluations of its other programs as well as those funded by the Byrne grant. Yet OCJP has not established a way to determine when a process evaluation is sufficient or when a more in-depth impact evaluation may be necessary. As a result, it may have overspent scarce resources conducting in-depth evaluations when a less rigorous evaluation would have sufficed; or it may have missed key outcomes when it failed to undertake a more detailed evaluation. For example, in April 1997, OCJP entered into a three-month, $49,000 contract with the CSU for a preliminary evaluation of its domestic violence program. The result of this preliminary evaluation was a feasibility study report issued June 30, 1997, which recommended a five-year, multiphase evaluation that would describe, measure, and evaluate program outcomes. However, the study did not fulfill contract requirements to select or develop a tool to measure program outcomes or assess the costs of performing the evaluation. OCJP could not provide the rationale for why it accepted the feasibility study report when it did not meet the contract deliverables.

Despite this incomplete study, OCJP entered into a three-year, $297,000 contract with the same contractor the next day to conduct the initial phases of the domestic violence evaluation.

Current OCJP management was unable to explain why it commenced the initial phases of the evaluation based on the incomplete study. Nor could management provide evidence that it considered conducting a less intensive process evaluation before executing the contract. If OCJP had a planning process for its evaluations, it could have ensured that the rigorous evaluation was necessary and appropriate. In fact, OCJP found the final report produced after three years of effort and having already paid almost $250,000 to be unacceptable, and it has yet to implement any of its recommendations.

Further, OCJP has not developed general criteria concerning what it wants its evaluations to accomplish. Without such criteria, OCJP's efforts to plan and tailor the evaluations are more likely to be disjointed and ineffective, and the evaluations themselves are more likely to lack focus. In its *Analysis of the 1998–99 Budget Bill*, the LAO noted that while the importance of evaluations had been emphasized by both the federal government and the Legislature, OCJP had "not evaluated any grantee programs" since the inception of the monitoring and evaluations branch in 1996 (the evaluations function was later separated from monitoring). The LAO highlighted five elements of program evaluation, as shown in the textbox, that we believe OCJP could have used to develop criteria for its evaluations. However, when we reviewed OCJP's efforts to evaluate three programs, we found that it used these elements in only one instance.

Five Evaluation Elements

A program evaluation is designed to determine:

- If a grant recipient is achieving grant objectives.
- Whether each of the elements of a grant program delivered by a grant recipient did or did not work.
- Whether funds expended were done so efficiently and obtained the best value.
- Whether the grant recipients succeeded in addressing the problem the grant was intended to solve.
- Whether any of the lessons learned in the implementation of the grant recipient's program should be shared with other agencies facing similar problems.

The chief legal counsel, who oversees the evaluations branch, stated that OCJP was trying to address this problem by notifying all evaluators of the five elements and requesting that they incorporate them into their analyses. She also stated that, in 2001 OCJP began developing formal guidelines for its evaluations that might have included criteria; however, it discontinued developing these guidelines because of staffing issues. Until OCJP formally adopts criteria similar to the elements identified by the LAO as part of the planning process for its evaluations, it seems unlikely that OCJP will address such criteria consistently, if at all. Unless it establishes criteria that evaluations must meet, OCJP cannot ensure consistency in the quality and content of the evaluations.

Until recently, OCJP had no process for its staff to provide feedback to evaluators regarding the suitability of proposed recommendations.

OCJP's chief legal counsel also stated that OCJP only recently established a means for program staff to prescreen the recommendations proposed by its evaluators for feasibility. This lack of program staff involvement in the past has contributed to the fact that OCJP has implemented very few of the recommendations in the reports we reviewed. According to OCJP's chief legal counsel, program staff and evaluators are now working together more closely so that evaluators can better understand the programs they are evaluating and the role of staff within those programs. The federal guidelines for the Byrne grant noted that too often evaluations are carried out in isolation from program management, leading to criticism that such evaluations do not meet the needs of program managers and oversight officials, and therefore the managers cannot or will not implement the evaluation recommendations.

For example, the evaluation of the statutory rape vertical prosecution program contained several recommendations that program staff believed were not appropriate. As discussed, the program's main goal is to increase statutory rape prosecutions by funding district attorney offices so that one attorney can follow a case from the time charges are first filed through the judiciary process. One of the evaluation's recommendations is for the program to establish additional measurable objectives to expand assessment beyond the number of prosecutions, thus allowing the program to continue in its development and help maintain its level of performance and aid in further evaluation of the program's goals and objectives. However, the program has not implemented this recommendation because program staff did not see its benefits. The evaluator was not specific in the type of objectives the program should include or how including these objectives would help it in meeting its goal of increasing statutory rape prosecutions.

Conversely, there was one recommendation that staff for the statutory rape prosecution program believed would be helpful but has yet to implement, even though the report was released over a year ago. The recommendation suggested that the grant recipients should report to OCJP the number of convicted defendants required to register as sex offenders. OCJP reported it was waiting to see what effect the state budget would have on the program before sending out guidelines to grant recipients on how to implement this recommendation. Until recently, OCJP had no process for staff to provide ongoing feedback on the feasibility and suitability of proposed recommendations to evaluators, so that it might increase the chances that evaluations

containing recommendations would be implemented by OCJP. There is little benefit in conducting evaluations if the best practices and/or recommendations are not useful to staff.

OCJP Has Not Held Its Contract Evaluators to Measurable Deliverables

As previously discussed, OCJP has not only used its own staff to perform evaluations, but has also contracted with outside entities such as the UC and the CSU. However, OCJP failed to develop measurable deliverables in its scope of work for one contract and hold its contract evaluators accountable for deliverables in others. In the former instance, evaluators under contract from the University of California at Santa Cruz (UCSC) extension worked on seven evaluations from October 2000 to September 2002 even though their contract did not describe the deliverables OCJP expected. OCJP originally designed the contract with the intent that it would include an attachment with the timetables and deliverables that each contract evaluator was to produce within a month of starting the evaluation. However, it never approved nor appended these attachments. Therefore, it had nothing in its contract to hold UCSC or the evaluators accountable for if the evaluation did not meet its needs.

In the case of a current evaluation to show the impact of drug task forces (the only UCSC evaluation we tested), OCJP has spent over $156,000 since May 2001 but has yet to receive sufficient information to know if the program is producing the desired impact on drug-related criminal behavior—and it has no guarantee that it will ever receive such information. Although the contract evaluators for this evaluation did eventually develop a work plan and timeline, OCJP never incorporated them into the contract. Moreover, according to the timeline, OCJP will not receive any deliverables concerning the impact of the task forces until one month before the final report is due in April 2003. However, the UCSC contract expired before the contractors were to complete several critical activities and it is therefore questionable if OCJP or any contractor it is able to hire will meet the April 2003 completion date for the report. Because OCJP never included the evaluation's timeline or deliverables as part of the contract, UCSC is not bound to complete the evaluation or deliver anything to OCJP.

Because it failed to include measurable deliverables in one of its evaluation contracts, OCJP has spent more than $156,000 since June 2001 but still does not know if the program being evaluated is producing the desired result.

In contrast, one of OCJP's ongoing evaluation contracts that we reviewed contains measurable deliverables and a timeline. This contract with CSU Long Beach will provide OCJP some recourse if the evaluation does not adhere to the terms contained within it. However, outlining deliverables and a timeline is only useful if OCJP holds the contractor to the contract, which it has at times failed to do. For instance, in July 1997, OCJP entered into a three-year contract with the CSU to complete the initial phases of its five-year domestic violence evaluation. Although OCJP paid almost $300,000 for services provided through this contract, the contract evaluators failed to provide several key deliverables specified in the contract's statement of work, including two that were critical to later phases of the evaluation—selecting appropriate outcome measures for the 13 domestic violence services and identifying shelters for program evaluation pilot projects. When the contract evaluators provided OCJP with their final report in June 2000, the former acting evaluations branch chief considered it unacceptable and attempted to have the contract evaluators modify it. However, the evaluators did not do so, and in November 2000, OCJP issued a summary report of the evaluation that did not contain the key deliverables.

Although OCJP has paid nearly $300,000 for services provided through one of its contracts, the evaluators failed to provide several key deliverables specified in the contract's scope of work.

Because the contract evaluators failed to provide key elements of the evaluation, OCJP should have withheld payment on the final portion of the contract. The former acting chief of the evaluations branch said he did initially hold up payment to the contractor because of missing deliverables and verbally informed the contractor of that fact. However, the acting chief returned to his prior position in January 2001 when a new chief was named. Subsequently, as the result of an accounting error that allowed final payment for an invoice without authorization from the evaluations branch, in February 2001 OCJP paid the remaining $50,000 on the contract four months after it released the summary report, even though its concerns with the work had not been resolved. This situation might have been avoided if, in addition to verbally notifying the evaluators that the final report was unacceptable, OCJP had also taken action to terminate the contract. Instead, OCJP paid for a product that did not meet its needs and expectations.

OCJP Entered an Interagency Agreement With UCSC in Violation of State Requirements

OCJP violated competitive bidding requirements when it entered into a $625,000 agreement with the University of California at Santa Cruz.

In 2000, OCJP entered into a $625,000 interagency agreement with UCSC for two years to provide staff to conduct multiple evaluations. However, the agreement violated state contracting requirements because it did not involve the use of existing UCSC faculty, staff, or students as contract evaluators. For UCSC's services, OCJP paid a 12 percent administrative fee on top of all payments for evaluator services. According to the state contracting manual, interagency agreements with the UC do not require competitive bidding if a department directly contracts with a UC campus to do work using UC faculty, staff, and/or students. However, the evaluators provided through the UCSC interagency agreement were recruited and hired by UCSC specifically for the period of the contract. As a result, UCSC was actually subcontracting with non-UC individuals; therefore, OCJP should have used the competitive bidding process. By not doing so, it circumvented competitive bidding requirements.

According to the former acting chief of the evaluations branch, the agreement allowed OCJP to obtain evaluators quickly without having to add or fill full-time state civil service positions. However, by not using the competitive bidding process, OCJP may not have obtained the best value for the State in terms of the quality of evaluators or the amount paid for administrative fees. According to OCJP's chief legal counsel, OCJP recognizes that the UCSC contract was flawed, and it plans to address the problems in future contracts. OCJP stated that when it contracts with the UC or the CSU, it will only use UC or CSU faculty, students, and staff and will improve its contract oversight through a contract manager. Its current evaluation interagency agreement with CSU Long Beach is for a faculty member of that campus.

OCJP'S ALLOCATION OF INDIRECT AND PERSONNEL COSTS MAY HAVE RESULTED IN SOME PROGRAMS PAYING FOR THE ADMINISTRATION OF OTHERS

OCJP's indirect and personnel costs constituted $10.7 million, or 80 percent, of the $13.3 million it spent on administrative costs in fiscal year 2000–01. However, because of flaws in OCJP's process for allocating indirect and personnel costs, it cannot be sure that it assigned these costs to the programs that incurred them. OCJP asserts that it assigned the indirect costs, which totaled $6.6 million, within its organizational units based on the

ratio of the staffing costs of a particular unit to the total staffing cost for OCJP. However, it was unable to provide documentation demonstrating how it determined those percentages, and the allocation percentages it used do not agree with our computation of what the percentages should be based on OCJP's estimates of its fiscal year 2000–01 salary expenditures as reported to Finance. For example, Table 2 on the following page shows that the sexual assault branch was charged with more than 20 percent of OCJP's fiscal year 2000–01 indirect costs, yet the salary costs for this branch only constituted approximately 5 percent of OCJP's total estimated salary costs.

OCJP sometimes reassigns a program's indirect costs to other unrelated programs when such costs will exceed the original program's allowable limit for administrative costs.

OCJP staff stated that, when they prepare the percentages to allocate indirect costs each year, they at times reassign costs when those costs exceed a program's allowable limit. Staff may shift these costs to unrelated programs because those programs have not exceeded their limits. As a result, OCJP assigns the majority of its indirect costs in a manner that maximizes the use of funds but does not always reflect each program's true share of the costs. For the programs that pay the indirect costs of others, this process reduces the money available for grants and other services.

Because OCJP has not developed a process for its employees to record their time when they work on multiple programs, a similar problem exists in its allocation of personnel costs. It cannot be sure that it is charging program salaries and benefits, which totaled $4.1 million in fiscal year 2000–01, to the correct program. Federal guidelines for charging personnel costs require that OCJP determine the hours its staff worked on different activities by obtaining semiannual certifications for employees working on a single program and monthly activity reports for those working on multiple programs. OCJP also requires that its grant recipients obtain similar activity information from their employees' timesheets when charging personnel costs to OCJP grants. However, because its own timesheets do not allow for this type of reporting, OCJP has instead relied on annual surveys of its branch chiefs to obtain estimates of the time staff will spend during the coming year on each program within their branch.

TABLE 2

OCJP's Allocations for Its Fiscal Year 2000–01 Indirect Costs Differ Significantly From Estimated Salary Cost Percentages

Reporting Unit	OCJP Cost Allocation Percentage	Percentage of Total Estimated Salary Costs	Difference
Sexual Assault	20.5%	5.0%	15.5%
Chief–Management	5.6	1.2	4.4
Deputy Director–Research	5.2	1.0	4.2
Children's	9.8	6.7	3.1
Planning and Research	2.7	0.9	1.8
Budget	3.8	2.9	0.9
Domestic Violence	5.6	4.7	0.9
Gang Violence Suppression	4.2	3.4	0.8
Chief–Fiscal	2.5	2.3	0.2
Chief–Victim Services	2.2	2.0	0.1
Deputy Director–Program	1.4	1.5	0.0
Office of the Director	4.3	4.3	-0.1
Human Resources	3.4	3.5	-0.1
Chief–Public Safety	2.3	2.5	-0.2
Drug Enforcement	3.9	4.2	-0.2
Victim/Witness	5.1	5.6	-0.4
Legislative	1.2	1.7	-0.6
Legal Counsel's Office	0.0	1.4	-1.4
Monitoring and Audits	4.5	6.1	-1.6
Deputy Director–Administration	0.3	2.2	-1.9
Crime Suppression	5.5	7.5	-2.1
Information Systems	0.4	3.3	-2.9
Accounting	2.1	6.0	-3.8
Business Management	0.4	5.7	-5.2
Juvenile Justice	2.4	7.8	-5.4
Program Evaluation	0.5	6.5	-6.0
Totals	**100.0%**	**100.0%**	

Source: OCJP's fiscal year 2000–01 cost allocation statistics and its fiscal year 2000–01 estimated salary costs as reported to the Department of Finance and reflected in the *California Salaries and Wages.*

A 1998 review of an OCJP federal program also raised this issue. In response, OCJP staff acknowledged the need for collecting activity information from employees. However, they stated that OCJP did not have the staffing to implement the change. As long as OCJP continues to rely on estimates of employee activity rather than actual hours, it risks shifting the administrative

salaries and benefit costs of one program to another and thus reducing funds that could have paid for grant recipient services at the local level.

RECOMMENDATIONS

OCJP should take the following actions to ensure that it addresses issues regarding its application process:

- Create guidelines and criteria to determine when an applicant's past performance issues rise to the level that OCJP will consider those issues when deciding whether or not to continue the applicant's funding.

- Conduct a periodic uniform review of all applicants with regard to past performance issues that includes applying weighting factors that indicate the relative importance of each such issue as it relates to future funding.

- Promptly inform grant recipients when their past performances are jeopardizing their chances for future funding.

- Properly document the rationale not to fund grant recipients and clearly state in the rejection letters sent to the applicants the reasons they were denied funding.

- Change the process for the filing of appeals so that an applicant has 10 to 14 calendar days, depending on the type of grant award, from the registered receipt of the notification letter in which to justify and file an appeal.

- Create an advisory committee for the domestic violence program to provide guidance on key program decisions.

To improve its oversight of grant recipients, OCJP should take the following actions:

- Ensure prompt technical site visits of its newly funded grant recipients.

- Develop a risk-based process for prioritizing which grant recipients it should visit first when it conducts monitoring visits.

- Develop written guidelines to establish when staff should follow up on late progress reports and how they should document that follow-up. It should also ensure that staff follows existing guidelines regarding timely follow-up on late audit reports.

- Ensure that it reviews audit reports within six months of their receipt to comply with federal guidelines.

- Revise its process for reviewing audit reports of municipalities to eliminate duplication of effort with the SCO.

- Establish written guidelines for following up on problems identified in progress reports or during site visits to ensure they are resolved.

- Require that its monitors review grant recipients' corrective action plans to ensure that the recipients have appropriately addressed problems identified during monitoring visits. Also, it should revise its process for following up on implementation efforts described in corrective action plans by requiring recipients to submit problem-specific narratives rather than checklists.

- Promptly follow up on the findings included in annual audit reports to ensure that grant recipients appropriately resolve them.

To improve the efficiency and effectiveness of its evaluations branch, OCJP should implement the following changes:

- Develop a planning process to determine what programs would profit most from evaluations, how rigorous evaluations should be, and follow its new process for discussing the relevance and feasibility of proposed recommendations to improve their chances for implementation. This interaction between program staff and evaluators should include the program branch chief.

- Develop general criteria establishing what evaluations should accomplish.

- Include measurable deliverables and timelines in its contracts' scope-of-work sections. Also, it should ensure that it does not make payments to contractors when those contractors do not provide established deliverables or when the deliverables are not of the quality expected.

- Ensure that when it uses interagency agreements with UC or CSU campuses that it is only contracting for services provided by existing faculty, students, or staff. In all other situations, OCJP should use a competitive bidding process to secure these services.

OCJP should take the following actions to improve its allocation of administrative costs:

- Ensure that it equitably allocates all indirect costs to the appropriate units and that it maintains sufficient documentation to support the basis for its cost allocation.

- Establish an adequate time-reporting system that uses activity reports or certifications, as appropriate, to document the total activity for each employee. It should then use such reports or certifications as the basis for allocating personnel costs. ■

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CHAPTER 2

The Office of Criminal Justice Planning and the Department of Health Services Can Both Improve How They Administer the Domestic Violence Program

CHAPTER SUMMARY

As discussed in the Introduction, two entities administer the State's domestic violence assistance programs: the Office of Criminal Justice Planning (OCJP) and the Department of Health Services (DHS). OCJP awarded $14.7 million in grants that funded 75 shelters in federal fiscal year 2001–02, while DHS awarded nearly $23 million through almost 150 grants and contracts to shelters and other organizations' programs providing assistance and services. In Chapter 1 we discuss a number of weaknesses in OCJP's overall administration of its grant programs, many of which are reflected in its administration of the domestic violence program; we will not reiterate those problems here.

However, we found one problem that was specific to OCJP's administration of its domestic violence program. Because it chose not to correct an inconsistency in its 2001 domestic violence request for proposals, OCJP raised the funding levels for 54 shelters by a total of $450,000 a year, an amount that could have nearly funded three additional shelters servicing small population areas.

In reviewing DHS's administration of its domestic violence program, we found problems hindering its effectiveness that were similar to those we found at OCJP. Like OCJP, DHS has not adopted guidelines to establish when a grant recipient's past performance has been sufficiently poor to prevent it from being awarded funds during the next grant cycle, nor has it established a systematic review process to identify grant recipients with poor past performance. Further, forces outside of its control precluded DHS from seeking counsel from a domestic violence advisory committee as required by state law. We also noted problems in DHS's oversight of grant recipients. For example, DHS has only performed site visits for 3 of its 91 shelter-based grant recipients,

and it has not considered a process to prioritize those visits. In many cases in which grant recipients did not submit required reports on time, DHS has not followed up as required by its own policies. Moreover, once it received required progress reports, it has often failed to review them in a timely manner.

OCJP's Decision Not to Correct an Inconsistency in Its Request for Proposals Resulted in Fewer Shelters Receiving Funding

OCJP funded almost three fewer domestic violence shelters than it could have in fiscal year 2001–02 because it chose not to correct an inconsistency in the 2001 request for proposals for its domestic violence grant. This decision resulted in a reduction of nearly $450,000 a year of funds available for shelters. The error occurred during the development of its request for proposals, when program staff set the minimum amount that a small shelter would receive $185,000 a year, even though an adjoining table within the proposal stated that $185,000 was the maximum amount that a small shelter could receive. The minimum amount was over $30,000 more for some small shelters than the minimum OCJP had previously awarded.

The inconsistency occurred during the development of its request for proposals but was not discovered until towards the end of OCJP's evaluation of grant applications.

The chief of OCJP's Domestic Violence Branch (branch chief) discovered the inconsistency toward the end of OCJP's evaluation of grant proposals in early August 2001. She notified her supervisors, but rather than seeking advice from OCJP's former legal counsel or sending out a notice to the applicants to correct the discrepancy, the branch chief instead adjusted the funding levels of several small shelters to accommodate the higher $185,000 minimum funding amount. The former division chief said he does not believe that the information concerning the $185,000 funding level included in the request for proposals was a discrepancy. The former division chief stated that because the $185,000 figure was used as a minimum funding amount in one section of the proposal and as a maximum funding amount in another section, the minimum funding level was set at $185,000. When this issue was brought to his attention by the branch chief, the former division chief determined the information in the proposal was accurate and did not require correction, and still believes that the $185,000 is an appropriate funding minimum. While we do not dispute the former division and the branch chiefs' authority to change the minimum funding level that shelters were to receive or the former division chief's belief that $185,000 is an appropriate minimum, we do take issue with how the decision was reached.

OCJP could provide no documentation of the decision-making process it used to arrive at the $185,000 funding minimum, such as written input from the shelters stating that the previous minimum amount was insufficient. Furthermore, OCJP provided no indication that it had considered the consequences that raising the minimum amount of some shelters by as much as $30,000 would produce. The branch chief stated that she made this decision because of the branch's experience in funding shelters, past input from the domestic violence constituency, and the need demonstrated in the shelters' proposals. The former division chief did not see a need for a statewide announcement that the minimum level was to be fixed at $185,000, nor did he perceive this to be a legal issue that needed resolution because the branch had not misstated the facts or provided inaccurate information. Nevertheless, OCJP's current chief legal counsel indicated to us that OCJP could have changed the request for proposals at any time during the process, even though OCJP was already evaluating the applications.

OCJP could have changed the request for proposals even though it was already evaluating the applications.

Because OCJP decided not to revise its request for proposals, it increased the funding level of 22 shelters with smaller service population areas by a total amount of more than $300,000 during each year of the three-year grant cycle. In addition, the branch chief also decided to raise the funding level for shelters with larger service population areas to maintain an appropriate margin between these and shelters with smaller service area populations while allowing them to provide quality services. As a result, OCJP increased the total funding for 32 shelters with larger service area populations by nearly $150,000 a year from the prior grant award. Taken together, the $450,000 yearly increase that the 54 shelters received in fiscal year 2001-02 as a result of OCJP's choice not to correct the inconsistency could have almost funded 3 additional shelters servicing small population areas, using the past minimum funding amount of $154,000 per year. Furthermore, because OCJP plans to base its future domestic violence grant award funding levels on those from prior funding cycles, it will continue using the higher minimum funding levels during the current and future three-year grant cycles.

OCJP also made a change to its 2001 request for proposals that further affects the number of shelters it is able to fund. It decided to delete a clause that limited funding levels for new

shelters to 83 percent of the maximum funding available for shelters with the smallest service areas. The last request for proposals for this program containing this clause was issued in 1993, OCJP's most recent competitive award of this grant.[4] The effect of taking out the clause was that 14 new shelters received a total of over $431,000 a year more than they would have under the funding formula used in previous years—enough to fund the equivalent of 2.8 additional shelters at the $154,000 funding level that had existed in the prior year.

OCJP could not explain why the clause had been part of the 1993 grant, and it does not believe the clause provides additional security that new grant recipients will not misspend grant funds because other controls exist to prevent this from happening. We agree that deleting this clause is appropriate.

DHS HAS NOT CONSIDERED PAST PERFORMANCE OR BEEN ABLE TO USE ITS ADVISORY COMMITTEE WHEN AWARDING GRANTS

DHS has not developed guidelines for assessing grant recipients' past performance, thus it will be hindered from using past performance as a factor in making funding decisions.

Overall, we found fewer problems with DHS's process for awarding grants than with OCJP's process, which we discuss in the previous chapter. However, we did find weaknesses in two significant areas. Similar to OCJP, DHS has not established criteria or guidelines for determining when a grant recipient's poor past performance issues rise to the level that would cause it to deny that recipient funding during the next grant cycle. DHS uses rating teams to score the competing applications, then generates a listing ranking the applicants that qualify to be funded based on their respective scores. Although it states in its grant application documents that it has the right to consider past performance issues when making funding decisions, thus far it has chosen not to exercise that right. As a result, in 2000 DHS renewed funding for both of the shelters that OCJP eventually chose not to fund in 2001 because of past performance issues.

While DHS's choice not to consider grant recipients' past performance means that it has not yet left itself open to the sort of criticism OCJP might receive, we believe that considering past performance is an important part of determining whether to

[4] OCJP continuously funded shelters that were awarded grants based on their 1993 proposals from 1996—the end of the 1993 grant award period—until 2001.

award funding. However, without specific criteria or guidelines to judge what weight to give past performance issues, decisions to increase oversight or remove a shelter from the next grant's funding cycle based on past performance may be perceived as arbitrary and unfair. By establishing and following appropriate guidelines, DHS could address both of these potential problems.

For reasons beyond its control, DHS was unable to collaborate with its advisory council for almost three years.

A second weakness in DHS's process for granting awards appears outside of its control. State law requires DHS to closely collaborate with the Domestic Violence Advisory Council (advisory council). As discussed in Chapter 1, advisory committees can provide guidance and serve as a forum where stakeholders affect the focus of a program and how it is administered. According to the records we reviewed, DHS was not able to meet with the advisory council for over two years because the governor and the Legislature did not promptly appoint its members after it was reestablished in July 1999. This delayed the advisory council's initial meeting with DHS staff until January 2002, 30 months after the Legislature reestablished the council. As a result, DHS developed its three-year domestic violence, shelter-based grant application and made its funding decisions for its 2000 grant award without receiving any guidance from the advisory council. Moreover, during this time, interested stakeholders had a more limited opportunity to provide input regarding the program.

DHS HAS NOT FULLY MET ITS RESPONSIBILITY TO OVERSEE GRANT RECIPIENTS

Like OCJP, DHS is responsible for a variety of oversight activities, including conducting technical site visits, reviewing progress and audit reports, and following up with shelters to ensure they take appropriate corrective actions if it has discovered problems. However, its oversight efforts are often inconsistent and untimely. For example, DHS does not have a process to conduct state-mandated site visits of its grant recipients. Moreover, although it is not currently visiting all of its grant recipients according to its required schedule, it has not considered prioritizing its visits to first monitor those with the highest risk of problems. It has also been inconsistent in following up on its grant recipients' late submission of required reports, and it has not always reviewed required reports promptly and consistently.

DHS Has Conducted Few Site Visits and Has Not Established a Process for Determining Which Sites Are at Risk

Since July 2000, DHS has made technical site visits to only 3 of the 91 shelters it funds.

A state law that took effect in January 2002 requires that DHS conduct site visits of its domestic violence shelters at least once during the three-year grant period. Even before the new law took effect, it would seem logical for DHS to have been periodically visiting its shelters to verify that they were operating as intended. However, since the current grant period began in July 2000, DHS has only visited 3 of its 91 shelters. The shelters DHS failed to visit included one that was almost 15 months late in submitting an audit report that was due in December 2000.

DHS stated that it currently does not have the resources to comply with state law, and was unable to augment its workforce. DHS indicated that it is working on identifying other activities that it can reduce to free up time to comply with the mandate, but it has yet to establish a process to use its existing resources most efficiently, such as determining which shelters it should visit first based on risk factors. It stated that it does have a process for determining which grant recipients are most at risk of violating state grant requirements in order to ensure that those recipients receive contract audits, but it has no similar process for prioritizing its site visits. A contract audit involves the review of the program and fiscal aspects of a grant recipient's operations, similar to the monitoring visits conducted by OCJP. The process for ordering a contract audit involves determining which shelters have not submitted required reports on time and which shelters have gone the longest without a contract audit. However, DHS has no similar risked-based assessment for determining which shelters it should target in its initial site visits.

DHS Has Not Consistently Followed Up With Grant Recipients Concerning Late Reports, Nor Has It Promptly Reviewed All Reports

Because DHS has inconsistently followed up on grant recipients' late submission of required progress and audit reports, it has at times lacked information regarding their accomplishment of grant goals and objectives. Like OCJP, DHS requires its shelters to submit progress reports approximately 30 days after the end of a reporting period. These reports require that shelters provide statistics and narrative regarding their progress during the period in achieving domestic violence grant objectives. Although 4 of 13 progress reports we sampled at DHS were submitted more than 30 days after their due dates, DHS could not provide evidence of any communication it had with the

shelters concerning the late submission of these reports. Because it has no established process for contacting shelters when progress reports are late and documenting those efforts, its staff neither formally contacted shelters that were late in submitting reports nor kept documentation of any informal follow-up efforts, including logs of phone calls or e-mails. By failing to promptly follow up with shelters that are late in submitting progress reports, DHS risks missing opportunities to receive early warnings about problems those shelters may be experiencing.

DHS also requires that its shelters submit annual financial audits to ensure that they are spending state funds according to grant requirements. DHS stated that its policy is to send shelters three late notices within 90 days after the audit reports are due. The final late notice states, in part, that a recommendation to cease payment of funds will be sent to the shelter's contract manager. Our review of nine audit reports that were due for submission to DHS found five that were not submitted within three months of the due date, as shown in Table 3 on the following page. Two of these were never submitted, despite the fact that one was due in December 2000. And while DHS did eventually receive the remaining three, one was more than a year late. Yet despite these significant delays, DHS did not promptly send notices to one of the three late shelters or to either of the shelters that have yet to submit reports. Because it did not send out final late notices to two of the late shelters or either of the shelters that failed to submit reports at all, it did not place a hold on their funds. As for the third shelter that was late in submitting its report, DHS sent it a final notice, but granted the shelter an extension before placing a hold on its funds. During the extension period the shelter submitted the report. DHS indicated that its failure to follow up on late audit reports as directed by its own guidelines was the result of staff error. When it does not promptly follow up on the late submission of required audit reports, DHS increases its risk that shelters may be spending state funds inappropriately.

Of the 13 progress reports we tested, DHS failed to review 11.

This risk is further exacerbated by the fact that DHS has not consistently reviewed the progress reports submitted to it. Specifically, it had not reviewed 11 of the 13 progress reports we tested. In the 2 progress reports it did review, it found problems and promptly requested that the shelters take corrective action. DHS's policy is that student assistants initially review each progress report for completeness and then program specialists review the reports in detail. However, because of workload and staff turnover, DHS stated that it has not had the resources to

TABLE 3

Over the Last Three Years, DHS Did Not Always Follow Up With Grant Recipients That Did Not Submit Audit Reports in a Timely Manner

	DHS Shelter-Based Program
Number of audit reports we selected for testing	9
Number of times an audit report was submitted at least three months late or never submitted at all	5
Number of audit reports submitted over three months late where no follow-up occurred	3
Number of grantees whose funds were placed on hold because of late submission of audit reports	0

Source: DHS's files.

consistently review the progress reports. Failure to review these progress reports is important because they could provide DHS with early warnings that grant recipients are having problems. Of the 7 submitted audit reports that we sampled, DHS had either reviewed or was in the process of reviewing all within the six-month timeframe.

RECOMMENDATIONS

So that it can support and defend funding decisions affecting the domestic violence program, OCJP should document and retain the reasons for changing funding levels.

To improve its grant award process, DHS should take the following actions:

- Develop guidelines and criteria to determine when a shelter's past performance warrants denying it funding during an ensuing grant cycle. This process should include a periodic uniform review of all shelters' past performance.

- Meet frequently with the advisory council to seek its input as required by state law.

To ensure better oversight of its shelters, DHS should:

- More efficiently use its resources when complying with state law mandating technical site visits to all its shelters by establishing a risk-based process for identifying which shelters it should visit first.

- Develop a structured process for staff to use to follow up on late progress reports. This process should include documenting follow-up efforts.

- Ensure that staff follow existing guidelines regarding the prompt follow-up of late audit reports.

- Ensure that it reviews all submitted progress reports in a timely manner. ■

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CHAPTER 3

California Could Improve Its Provision of Domestic Violence Services by Moving Toward Greater Coordination or Consolidation

CHAPTER SUMMARY

Despite some differences in the two domestic violence programs established by state law at the Office of Criminal Justice Planning (OCJP) and the Department of Health Services (DHS), both programs award the majority of their domestic violence funds to shelters that provide certain core services. Because OCJP operates its $14.7 million shelter-based program under guidelines from both its federal funding sources and state law, it faces significantly more requirements in terms of the services it can fund than does DHS, which does not receive federal funds and has had fewer restrictions placed on it by the State. However, DHS chooses to award its $14.3 million in shelter-based grants to applicants that demonstrate that they can provide the same core domestic violence services established in OCJP's authorizing statute. As a result, shelters eligible for funding from one department are generally also eligible for funding from the other, and the shelters we reviewed appear to use the majority of funds from the shelter-based programs for similar activities. DHS's domestic violence program also provides roughly an additional $3.9 million in grants for community planning and violence-prevention activities; OCJP does not fund these services.

Because the two departments are operating similar shelter-based programs, some duplication occurs in their award and oversight activities. For instance, the departments' grant applications require that the shelters submit similar information; however, the two departments separately review and score the applications when determining which shelters they will fund. In another example of the potential for duplicated work, DHS has stated that as a result of a new legislative requirement, it will perform site visits to shelters to assess their activities and provide technical assistance even though OCJP already conducts such visits. Furthermore, each department requires shelters to submit periodic progress reports containing similar information, except that each requires the information for a different time period.

Because DHS and OCJP often fund similar activities and overlap exists between their award and oversight efforts, greater cooperation or consolidation between their programs might lead to increased efficiency. One alternative is to increase the coordination between the departments, but this approach has had mixed success in the past. Another option, issuing a joint grant application for the departments' shelter-based programs, could eliminate much of the duplication in the grant award process but would not address overlaps in the departments' oversight activities. A third option combines the two shelter-based programs at one department, which could create greater efficiencies in both funding and oversight activities. OCJP would appear to be the better choice for this combined shelter-based program because the federal grants it uses to fund its domestic violence program are also used to fund many other OCJP programs, such as training police and prosecutors to more effectively respond to violence against women. A fourth alternative—completely consolidating all DHS and OCJP domestic violence activities—could prove very efficient, but would not take advantage of the different perspectives the two departments bring to their programs.

SIGNIFICANT OVERLAP EXISTS BETWEEN THE DOMESTIC VIOLENCE ACTIVITIES THAT OCJP AND DHS FUND

Shelters that are eligible for funding from OCJP are generally eligible for funding from DHS.

The two domestic violence shelter-based programs established by state law at OCJP and DHS often fund similar activities, although DHS funds some services that OCJP does not. For the most part, federal funding sources and state law constrain OCJP to funding 13 specific domestic violence services at shelters. Although DHS is not limited by similar mandates, it requires that applicants for its major domestic violence program, the shelter-based program, demonstrate that they can provide the 13 services established in OCJP's authorizing statute. Thus, shelters that are eligible for funding from one department are generally eligible for funding from the other. Because both departments award grants for the provision of domestic violence services, most shelters appear to use the funds for similar activities. However, unlike OCJP, DHS awards about 17 percent of its $23 million in state domestic violence funding for community planning and violence-prevention activities.

Federal Guidelines and State Law Create Some Differences Between OCJP's and DHS's Shelter-Based Programs

OCJP receives portions of three federal grants as well as state funds for its shelter-based program, as shown in Table 4, while DHS only receives state funds. As a result, the federal grant guidelines that limit OCJP's activities do not apply to DHS. Although these federal grants generally fund direct services for domestic violence victims, each grant's guidelines dictate the specific costs and services it will cover. For example, one federal grant can fund violence-prevention counseling services to abusers. Another federal grant allows its funds to be used for the purchase or lease of a vehicle if that expenditure is essential to delivering services to crime victims, such as victims of domestic violence. The guidelines for these grants also contain certain restrictions, such as one grant's prohibition against using its funds for indirect organizational costs such as liability insurance or capital improvements for the shelter facility. These differing guidelines add a degree of complexity to OCJP's shelter-based program in comparison to DHS's program.

TABLE 4

Some Differences Exist Between OCJP's and DHS's Shelter-Based Programs

Characteristics	OCJP	DHS
Sources of funding	Federal Violence Against Women Grant Federal Victims of Crime Grant Federal Family Violence Prevention and Services Grant State's General Fund	State's General Fund
Activities funded	Generally restricted by state law to 13 services	Chooses to fund 13 services but can also fund other activities such as public health nurse visits or special services for pregnant women
Program requirements	Various limitations from federal funding sources, plus state law generally restricts funding to 13 services	No federal funding limitations, and state law does not restrict funding to 13 services

State law also places different requirements on OCJP than it does on DHS. When the Legislature established OCJP's program in 1985, it required OCJP to fund domestic violence shelters for the provision of 13 specific domestic violence services (which are listed in the Introduction), and to conduct outreach and training. However, when the Legislature created DHS's shelter-based program in 1994, it did not limit the program to the activities identified in OCJP's authorizing legislation. It instead gave more general instructions to DHS to maintain previously funded shelters and services, expand existing services, create new services, and establish new shelters. Therefore, DHS can fund shelter activities that OCJP cannot, such as public health nurse visits or special services for pregnant women.

According to our legal counsel, nothing in law requires that DHS make awards for its shelter-based program on a competitive basis.

DHS believes that state law requires it to competitively award funds for its shelter-based program, a restriction that OCJP does not share. The competitive award process allows all applicants equal opportunity to receive funds based on their applications regardless of whether they received funds in the prior grant cycle. However, an April 2002 opinion from the Office of Legislative Counsel that was provided to us by DHS indicates that state law only requires that the DHS grant award process take into account the criteria established by law, including maintaining previously funded shelters and services, expanding existing services, creating new services, and establishing new shelters. According to our legal counsel, nothing in the law requires that DHS make the awards on a competitive basis. DHS has asked its legal counsel to review the Legislative Counsel's opinion and comment on its impact on the program.

State law does state that, in addition to the shelter-based program, DHS is responsible for funding several other domestic violence activities, such as demonstration projects to serve battered women and community response teams. State law does not require that OCJP fund these additional activities.

DHS's and OCJP's Shelter-Based Programs Primarily Fund Similar Activities

Although state and federal requirements create certain differences between OCJP's and DHS's shelter-based programs, both fund primarily the same activities at the shelters. One reason for this similarity is that both programs have the same eligibility requirements for shelters. As discussed, DHS awards the majority of its domestic violence funds—approximately $14.3 million per year—through its shelter-based program.

Of the 91 shelters receiving funds from DHS 70, or 77 percent, also receive funds from OCJP.

Although state law does not direct it to do so, DHS requires that applicants for its shelter-based program demonstrate that they provide all 13 domestic violence services required by OCJP. Because state law requires DHS to offer a "shelter-based" program but does not specifically define what shelter-based services grant recipients must provide, it has decided to adopt the 13-services definition from OCJP's statute. Therefore, all shelters that are eligible for one department's shelter-based program are also eligible for the other's program. In fact, 70 of the 91 shelters, or 77 percent, that receive shelter-based program funds from DHS also receive funding from OCJP. Appendix B provides a list of shelters funded by OCJP and DHS.

Shelters that receive grants from OCJP must use the funds for the provision of the 13 domestic violence services. On the other hand, although recipients of DHS's shelter-based program must demonstrate that they provide the 13 services, they may spend grant funds on other activities. However, our review of grant budgets from five shelters that received funding from both OCJP and DHS indicated that most of the proposed activities DHS's shelter-based program funded could have been funded by OCJP as well. While we identified some activities such as teen domestic violence prevention, nurse consultations, and teen parenting assistance that did not appear to be eligible for OCJP funding, these activities seemed to constitute a small part of the activities funded by DHS's shelter-based program. For example, one shelter indicated it planned to spend almost 88 percent of DHS's funds on activities that would be allowable using OCJP funds and about 12 percent on other activities. While the other four shelters we reviewed did not offer equally detailed budget breakdowns of their planned use of funds, these shelters also appeared to use the majority of their DHS grants for activities that OCJP could also fund. OCJP and DHS staff confirmed our conclusion, indicating that they believed the shelters used the majority of their funds from these grants for similar activities.

DHS's Other Domestic Violence Programs Differ From Its Shelter-Based Program

In addition to its shelter-based program, DHS also awards approximately $7.6 million per year through four other domestic violence programs. These programs generally fund activities that are significantly different both from those funded by OCJP and those funded by DHS's shelter-based program. The four domestic violence programs provide outreach to underserved/unserved populations, establish domestic

DHS administers four other domestic violence programs whose activities differ from those in its shelter-based program.

violence-prevention planning, provide technical assistance, and encourage community participation in reducing domestic violence. Through these programs, DHS stated that it helps communities address the issue of domestic violence in a public health context. DHS also awarded approximately $872,000 for special projects that support all its domestic violence programs. In general, DHS reported that it approaches the development and management of its domestic violence programs as it does other public health issues and programs. In fact, in July 2002, DHS changed the reporting relationship of its domestic violence programs, including the shelter-based program, from an independent section within its Maternal and Child Health Branch to part of that branch's program and policy section. The program and policy section administers programs that seek to coordinate services for adolescent parents, improve the health of low-income pregnant women, and prevent injuries to children and youth. DHS hopes that its domestic violence programs will benefit from the staff's experience with other public health issues.

DHS's other domestic violence programs also differ from its shelter-based program because state statute allows entities that do not operate shelters, such as local governments and community organizations, to apply to receive these programs' funds. As a result, the services these programs fund may not relate to the provision of services directly to the women residing in shelters. For example, these domestic violence programs fund activities such as technical assistance and training to strengthen shelters' organizational capabilities to provide services and pilot projects to reach domestic violence victims in nontraditional and innovative ways.

OCJP AND DHS DUPLICATE CERTAIN ASPECTS OF THEIR PROGRAM ADMINISTRATION

Because OCJP and DHS operate similar shelter-based programs, their administrative efforts toward awarding funds and providing oversight at times overlap, as Table 5 shows. For instance, although the two departments' grant applications request that shelters provide similar background and service information, the departments each engage in separate review and scoring processes to determine what shelters they will fund. Many oversight activities performed by one department also duplicate, or may duplicate in the future, work that is being done by the other. For example, OCJP conducts technical site visits to its shelters

TABLE 5

Some Components of OCJP's and DHS's Program Administration Overlap

Components	OCJP	DHS
Award of funds	Reviews and scores applications for funding for the 2001 through 2004 grant cycle.	Reviews and scores applications for funding for the 2000 through 2003 grant cycle.
Progress reports	Requires shelters to submit nine progress reports during its three-year funding cycle.	Requires shelters to submit four progress reports during its three-year funding cycle.
Monitoring	Conducted 26 monitoring site visits at shelters over the past three years.	Performed 25 contract audits of shelters since 2000.
Technical assistance	Provides assistance to shelters through technical site visits.	Currently conducts few technical site visits. However, as of January 2002, state law requires it to review each of its funded shelters during its three-year funding cycle.

to assess their activities and to provide technical assistance; although DHS has performed few such visits in the past, a new state law requires that it visit all shelters it funds within three years.

The overlap in program administration at times also creates additional work for shelters. For instance, both departments request that shelters submit periodic progress reports using the same form. However, they require the shelters to report for different time periods, necessitating that shelters tabulate the same information several times a year.

OCJP and DHS Require Separate Grant Applications for Similar Activities

As discussed previously, both OCJP's and DHS's shelter-based programs require that shelters provide all 13 domestic violence services, and our review shows that the shelters that receive funds use them for mostly the same services. Yet despite these similarities, OCJP and DHS conduct separate grant application processes. As a result, shelters must submit separate applications describing how they will use each program's funds, although the applications and the services themselves are similar. Because the departments each seek information to identify the shelters that can best provide the services required in the area, they require the same background information on shelters' service areas,

Much of the information required in the applications for OCJP's and DHS's shelter-based programs is the same.

their targeted populations, and their organizational structure and capabilities. Also, because both departments require that shelters identify the services for which they are requesting funding, shelters must discuss many of the 13 services that they will target. Although shelters must address all 13 services in their OCJP applications and may address only some of these in their DHS applications, they may duplicate their descriptions of any services they intend to fund with grants from both programs.

The applications requested by the two departments also differ in some areas. While OCJP requires that applicants describe their provision of the 13 domestic violence services in a narrative format, DHS has the shelters present any of the 13 services they plan to fund using an itemized list with concise summaries. Also, DHS requires that shelters submit certain documents, such as certifications, along with the application, while OCJP requests these documents only after it has selected the shelters for funding. In addition, the departments have slightly different methods for reviewing and scoring the applications. OCJP traditionally has its staff or other state employees perform this function, while DHS uses volunteers with experience in the field.

Despite the similarities in their application processes, the two departments have not historically formally collaborated to identify areas in which they are requesting similar or different items. To the extent these processes duplicate one another, such activities increase both the shelters' and the departments' administrative efforts and cost without providing additional benefit to the individuals who receive services from the shelters.

OCJP and DHS Perform Some of the Same Oversight Activities

In addition to having two grant application processes, OCJP and DHS duplicate many of each other's oversight activities. This duplication wastes resources at both departments and at the shelters. For example, although OCJP and DHS require that shelters use the same progress report form, they have not synchronized their reporting periods. These progress reports require that shelters submit client data and provide a narrative describing their progress toward their objectives. Both OCJP and DHS require most sections of the report, with only a few sections requested exclusively by one department or the other.

Both OCJP and DHS require that shelters report their progress using the same form, but each has different reporting periods, creating a burden for the shelters.

However, because OCJP and DHS have different reporting periods, shelters must tabulate the same information several times a year. For example, the data report section of the progress report identifies the type of clients a shelter served and the services it provided to clients in the course of a specific time period. Because OCJP and DHS have different reporting periods, the shelters have to compile basically the same information repeatedly. For shelters that maintain this data on paper, as 40 of 67 respondents, or 60 percent, reported doing in a 1998 OCJP evaluation survey, this exercise proves cumbersome and time-consuming. Because DHS has not consistently reviewed these reports, as discussed in Chapter 2, we found minimal duplication in OCJP's and DHS's efforts to review the reports. However, if DHS were to begin reviewing these reports, it would probably identify many of the same issues as OCJP did.

Duplication also occurs in OCJP's and DHS's efforts to monitor shelters' compliance with program and financial guidelines. Over the past three years, OCJP has conducted 26 monitoring site visits of shelters for this purpose, while DHS has spent approximately $177,000 since 2000 through its department's Audits and Investigations division to conduct 25 contract audits, which perform a similar function to OCJP's monitoring site visits. Although the two departments review different grant funds, both test shelters' fiscal controls, creating an overlap in their efforts. Additionally, DHS's contract audit of the services it funds through its shelter-based program duplicates portions of OCJP's review because OCJP also reviews some of the 13 domestic violence services during its monitoring site visits. Of the 70 shelters funded by both departments, we found that 3 shelters had received both an OCJP monitoring site visit and a DHS contract audit during the last three years. In all three cases, OCJP and DHS visited the shelter within a year of each other. In instances in which DHS and OCJP schedule reviews within such a short timeframe, it is likely that they are repeating each other's work. For example, during their separate visits to one shelter, both DHS and OCJP identified that the shelter's travel policy was not in line with the State's travel policy, although OCJP also noted other issues.

Increased overlap in another area of oversight is likely to occur more frequently in the future. Specifically, although DHS has conducted few technical site visits since July 2000, a new state law that went into effect in January 2002 requires that it visit shelters it funds at least once within the three-year grant period.

Without coordination, future technical site visits conducted by OCJP and DHS are likely to overlap.

Because OCJP already conducts technical site visits of its shelters, DHS's reviews are likely to duplicate those efforts. DHS has stated that it does not have the resources at this time to conduct these technical site visits, but it is trying to redirect available resources in order to comply with the law, as discussed in Chapter 2.

Additional inefficiencies occur when DHS and OCJP do not communicate with each other regarding the shelters they both fund. For example, neither department has an established procedure for contacting the other when a shelter is late submitting an audit report. In one case, a shelter submitted its audit report to OCJP over 8 months late and never submitted its report to DHS. In another instance, a shelter submitted its audit report to OCJP over 2 months early but submitted the same report to DHS nearly 15 months late. In both cases, better communication between the departments could have resulted in DHS's awareness that the shelters in question had in fact conducted audits, although they may not have yet submitted their reports.

Staff from OCJP and DHS said that they meet regularly to discuss problems with certain shelters. However, the departments' communication is often informal and spontaneous. While informal communication between the departments via telephone calls and e-mails is valuable and should continue, the two departments may need to formalize their communications if it is to result in greater coordination of oversight efforts. Without such coordination, OCJP and DHS risk making decisions based on incomplete information.

GREATER COOPERATION OR CONSOLIDATION BETWEEN OCJP'S AND DHS'S PROGRAMS COULD INCREASE EFFICIENCY

Because of the similarity of OCJP's and DHS's programs and the overlap between their application and oversight activities, adopting an alternative administrative structure could improve the efficiency of the State's approach to funding domestic violence services. In particular, we considered the following alternatives to the State's current administration of its domestic violence programs:

- Increasing coordination between the departments.
- Developing a joint grant application for the two departments' shelter-based programs.

- Combining the two shelter-based programs at one department.
- Completely consolidating all DHS's and OCJP's domestic violence programs.

We describe each of these options in the following sections and discuss their benefits and drawbacks. We also discuss the current statutory impediments to implementing these alternatives.

Alternative One: Increasing DHS's and OCJP's Coordination on Domestic Violence Issues

Benefits and Drawbacks of Increased Coordination

Benefits

- Synchronized progress report periods could allow shelters to prepare information once and submit it to both OCJP and DHS.
- The two departments could specialize in areas of program delivery.
- A baseline funding level could be established that would ensure all eligible shelters receive some funding, and remaining funding could be distributed competitively or through service-related factors.

Drawback

- Some efforts, such as joint data collection software, would require significant time commitments from the departments and might not be successful.

The text box shows that DHS and OCJP can limit overlap between their shelter-based programs by increasing how they coordinate their activities. However, as long as they continue to operate programs with separate rules and procedures, some duplication of effort by both the departments and the shelters is inevitable. The extent of this duplication of effort can be reduced by the degree to which departments are able to coordinate on administrative issues.

To date, the departments' most successful coordination efforts involved developing a joint progress report in 1999 and hosting a joint conference with shelters in April 2002. In addition, DHS and OCJP had many discussions in 1999 and 2000 about combining the software they each offer shelters for collecting client data for their progress reports. However, these discussions have stalled over concerns regarding the availability of funding for the transition, the feasibility of being able to develop a single system for shelters around the State, the determination of common data requirements for both departments, and the impact a federal data collection system will have on the project. Greater coordination in this area and others could reduce the extent to which shelters must duplicate administrative work because they are dealing with two departments.

Arizona offers one possible model for increased coordination between multiple domestic violence programs. It established a task force that coordinates its eight departments that work on domestic violence issues. Representatives of the departments meet to discuss their activities, and the group issues a single annual report on the departments' efforts. Three of Arizona's

departments receive the same federal grants that OCJP receives for its program, and others receive federal domestic violence funding for crime victim assistance and temporary assistance for needy families. A product of Arizona's coordinated effort is that some departments are able to focus their efforts on a single area of need because they know that other departments will address other areas. For example, the Arizona Department of Health Services targets its approximately $1 million in federal family violence prevention funds for fiscal year 2000–01 on rural domestic violence shelters because it knows other departments are addressing the needs of urban shelters. This focus allows it to specialize in meeting the needs of a specific group.

If California followed Arizona's model, it could choose to establish one department's funds as a base source that would be awarded to all eligible shelters. These base funds would guarantee that shelters meeting the eligibility requirements would receive a minimum level of funding. Such a guarantee would help to address concerns that arose over DHS's and OCJP's latest grant-application processes, in which they did not award grants to 6 and 10 previously funded shelters, respectively. A key to this approach would be restricting eligibility so that the base funds do not become overly diluted because they are awarded to too many shelters. For example, when Texas's Department of Human Services awards federal family violence prevention funds and state domestic violence funds, it includes a base component of $80,000. Texas requires that shelters must have been in service one full year before they can obtain funding, and it awards grants to new shelters based on the availability of funds. Texas also seeks recommendations from a committee coordinated by its domestic violence coalition every two years to obtain suggestions on how it should determine base funding levels and how it should weigh various factors when deciding how to distribute the remaining funding.

Texas uses a combination of a base funding component in awarding funds to shelters.

California faces a challenge in forming a similar committee because, unlike most other states, it has two domestic violence coalitions instead of one. Domestic violence coalitions can serve as the voice of the shelters because they are required to work so closely with them. If California were to form a committee like Texas's, it would probably need to balance representation from both of its coalitions. Alternatively, California could establish a variation of DHS's advisory committee that also includes representatives from the shelters OCJP funds. Such a committee could provide input when, for instance, the departments consider changes to their funding structures.

If one of California's shelter-based program's funds were used as a baseline, then the other program could award its funds competitively without affecting the minimum level of funding that each eligible shelter received. Alternatively, the other program could award its funds using a formula based on performance measures, such as the number of services a shelter delivers or the instances of domestic violence it addresses. OCJP's statutory rape vertical prosecution program uses this model, awarding base amounts of $50,000, $100,000, and $150,000 depending on county population, and then adding additional increments to the awards based on variables such as a county's ratio of teen pregnancies to total pregnancies. After Texas's Department of Human Services distributes the baseline amount to all eligible shelters, it awards its remaining funds to shelters based on the number of days they provided services to clients. Texas does not award additional funds to new shelters beyond the baseline for the first two years they receive funds and not until these shelters have established themselves according to its oversight process. The advantage of such alternate funding methodologies is that they place less emphasis on the grant application process and more emphasis on service performance measures.

Benefits and Drawbacks of Issuing a Joint Application for the Shelter-Based Programs

Benefits

- The burden on shelters of preparing two separate applications for funding would be eliminated.
- The two departments would have the same grant cycle instead of the different cycles they have now.
- The amount of time the departments spend on overall review of the grant applications could be reduced.

Drawbacks

- Both departments would need to commit significant effort to merge application requirements.
- Departments report that it would be extremely difficult to issue a joint application in 2004. Therefore, both departments' funding cycles would need to be extended.

Alternative Two: Adopting a Joint Grant Application for the Shelter-Based Programs

Because their shelter-based programs fund many of the same services, DHS and OCJP could issue a joint grant application for these programs. This joint application would guarantee increased communication between DHS and OCJP, would reduce the burden for the shelters of filling out two separate applications, and could reduce the amount of effort the departments cumulatively spend on application review. In addition, a joint application would require the two programs to award grants on the same cycle, whereas now the two base their cycles on different fiscal years: DHS starts its cycle in July to follow the State's fiscal year, and OCJP starts its cycle in October to follow the federal government's fiscal year. As a result, DHS and OCJP could better coordinate their funding.

Of the four states we contacted, Iowa has the most inclusive joint grant application. As Table 6 on the following page shows, it currently awards its federal victims of crime, federal family violence

prevention, and state domestic violence grants through a single application process administered by its department of justice. It also recently moved its federal violence against women grant to this same department and is planning on adding that grant to the single application process in 2003. Iowa's joint grant application allows applicants to submit general information about their operations just once, even if they are applying for all three grants. Applicants also prepare budget descriptions and summaries for each of the grants for which they apply. Because Iowa makes funding decisions using this joint application, it can consider all the funds applicants will receive from the different grants when determining the size of specific awards.

TABLE 6

Most of the States We Contacted Use Different Entities to Administer Their Domestic Violence Programs

Programs	California	Arizona	Iowa	New York	Texas
Federal Violence Against Women Act Grant	OCJP	Governor's Office	Department of Justice*	Criminal Justice Services	Governor's Office
Federal Victims of Crime Act Grant	OCJP	Department of Public Safety	Department of Justice	Crime Victims Board	Governor's Office
Federal Family Violence Prevention Services Act Grant	OCJP	Department of Health Services	Department of Justice	Office of Children and Family Services	Department of Human Services
State Domestic Violence Grant	OCJP DHS	Department of Economic Security	Department of Justice	Office of Children and Family Services	Department of Human Services

* Iowa moved this program from the Governor's Office in June 2002.

Although this model offers a number of apparent benefits, DHS indicated that there are several things to resolve prior to being able to issue such a joint application with OCJP in the next funding cycle. These items would include whether the departments would award funds on a state fiscal year basis (July to June) as DHS does, or on a federal fiscal year basis (October to September) as OCJP does. The departments would also have to determine whether they could both accept one narrative for any given service if the shelter planned to use funds from both departments for that service. In addition, the departments would have to develop a request for applications or proposals that would allow for the complexity of OCJP's federal funding requirements while maintaining DHS's ability to fund some activities that OCJP does not.

DHS has already extended its 2000 through 2003 shelter-based program funding an extra year so that it will be more closely aligned with OCJP's 2001 through 2004 funding cycle. According to DHS, the two departments would probably have to issue the request for proposals/applications in fall 2003 to ensure completion of the award process by June 2004. This would leave DHS and OCJP less than a year to develop the application; DHS expressed concerns regarding whether it had sufficient staffing resources to develop a joint application within this timeframe. DHS has just moved its domestic violence programs to a new section within the Maternal and Child Health Branch and has not permanently filled the manager position for these programs. In addition, DHS states that it is already extending staff resources to develop and conduct technical site visits as mandated by state law since January 2002.

Both DHS and OCJP expressed several reservations concerning developing a joint application.

Given these constraints, DHS believes the process to develop a 2004 joint application for the shelter-based program may overextend its resources. In addition, OCJP stated that until both departments awarded funds on the same basis (competitively or continuously), it would not appear feasible for the two to issue a joint application because the requirements would differ so greatly, depending on how funds were awarded. OCJP also expressed concerns similar to DHS about the complexities of trying to issue a joint application within the next few years. On the other hand, combining the shelter-based programs at one department, which we discuss below, might prove less difficult because the administration would be the responsibility of one department, not two.

Alternative Three: Combining the Shelter-Based Programs at One Department

A third alternative would modify state law and funding appropriations to combine both shelter-based programs at one department. With this combination, the State would not only gain the benefits of offering a joint application, but also would achieve more efficient oversight of the shelters, since information concerning technical site visits, monitoring site visits, progress reports, and audit reports would all be housed at one department. The combination might also improve the consistency with which the programs respond to late audits and other oversight issues because that response would be coming from a single department. It would also reduce shelter workload, since shelters would only need to respond to the administrative requirements of one department instead of two.

Benefits and Drawbacks of Combining the Shelter-Based Programs

Benefits

- The burden on shelters of preparing two separate applications for funding would be eliminated.
- The two departments would have the same grant cycle instead of the different cycles they have now.
- The amount of time the department spends on overall review of the grant applications could be reduced.
- Duplication of oversight efforts by OCJP and DHS would be eliminated.
- Staff efficiencies could increase because staff at each department already provide assistance to shelters funded by the other department.
- Might require less lead time than a joint application because all requirements and administration would be in one location.

Drawbacks

- State laws would need to be changed.
- If funds were competitively awarded and no base funding was provided, a shelter that scored poorly on its grant application would not receive any funding through the State for the three-year grant cycle.

The main concern related to such a combination would be that it could reduce a shelter's chance of being funded by the State. Specifically, if a single department awarded all funds competitively and a shelter did not rank sufficiently high in that application process, that shelter could be left without state funding. This issue could be addressed, however, if the administering department awarded a portion of its funds on a continual basis to eligible shelters, as discussed earlier. Such a funding system would prevent large swings in a shelter's funding depending solely on whether or not it ranked high enough in the competitive application process.

As discussed previously, of the four states we contacted, Iowa has made the most progress in consolidating its grants at one department. Since June 2002, its department of justice has administered all of Iowa's state and federal domestic violence grants. Iowa's staff told us that the joint operation of their domestic violence programs has provided grant recipients with one point of contact for all funding sources and allowed the recipients to submit a single progress report. In addition, the joint operation has enabled Iowa to better assure a fair distribution of all funds.

If California were to combine its shelter-based programs, OCJP would appear to be the more efficient choice to administer the combined program. Because OCJP uses portions of the three federal grants that fund its shelter-based program to fund other programs as well, it would be difficult to have DHS assume the administration of those grants. For example, the State not only uses its federal violence against women funds for victim services, including victims of domestic violence, but also for other programs that OCJP administers—programs that train law enforcement personnel and prosecutors to more effectively respond to violence against women and that train medical examiners in the collection and preservation of evidence from sexual assault cases. Moreover, OCJP is responsible for reporting on California's use of the violence against women funds to the federal Department of Justice.

Although it certainly would not be impossible for DHS to administer the domestic violence portion of the federal violence against women funds, it would likely prove prohibitively difficult. At the four other states we contacted, a department with a health or human services orientation did not administer the federal violence against women grant. In addition, DHS has not had experience dealing with the different federal grant requirements for the domestic violence program, and DHS believes it would require significant staff time and effort to understand and integrate those guidelines into its current shelter-based program. DHS would also have to become closely involved with OCJP's administration of its other programs funded by the federal grants to ensure that it spent the required amount of funds on domestic violence and that the State properly reported its activities.

It appears that DHS could transfer its shelter-based program with fewer disruptions than would occur at OCJP.

In contrast, DHS's shelter-based program has fewer ties to other DHS programs than OCJP's program does. As discussed previously in this chapter, DHS's shelter-based program is one of five domestic violence programs it administers. Although some of the other four also award funds to shelters, they generally fund different services than the shelter-based program. As a result, it appears DHS could transfer its shelter-based program with fewer disruptions to its other domestic violence programs than would occur if OCJP were to transfer its shelter-based program. Moreover, combining the shelter-based programs at OCJP would affect few services provided by the shelters because the shelters already use most of the funds awarded by DHS's shelter-based program for activities that OCJP could fund as well, as discussed earlier.

If the State chose to combine DHS's shelter-based program with OCJP's program, the Legislature would need to change state law and funding appropriations. It would need to alter state law to remove the requirement that DHS administer a shelter-based program and to shift appropriations for the accompanying $14.3 million to OCJP. In addition, if a combined program at OCJP were to continue funding the other domestic violence services that DHS's shelter-based program currently funds, such as paying for health care providers, OCJP's statute would need to be changed to allow it to fund services in addition to the 13 domestic violence services.

Alternative Four: Completely Consolidating Both Departments' Domestic Violence Programs

Another alternative for administering the State's domestic violence programs would consolidate all of OCJP's and DHS's domestic violence activities at one department. However, while this structure might promote the greatest administrative efficiencies, complete consolidation would likely give the State's domestic violence programs too strong of a health care or law enforcement focus, depending on which department administered the programs. Moreover, it would not make full use of either department's expertise, and the department that received the programs would have to rely on outside expertise or additional training to fill the gaps left by the removal of the other department's experience.

Benefits and Drawbacks of Consolidating All Domestic Violence Programs

Benefits

- The overall efficiency of the programs should increase because all operations would be under one management.
- The overlap between DHS's and OCJP's administration would be eliminated.

Drawbacks

- State law would have to be changed.
- The structure would not take advantage of each department's experience in related areas.

For example, as previously discussed, DHS has extensive experience with prevention efforts and health care because of the many programs of this nature that it administers. On the other hand, OCJP has little experience and familiarity with some of the services DHS provides through its four other domestic violence programs, which can fund organizations other than shelters. Because OCJP is not allowed to fund some of these services and does not have experience with others, DHS might be better equipped to deal with these programs. In addition, if OCJP received all of DHS's domestic violence programs, state law governing OCJP's adherence to all 13 domestic violence services would need to be modified significantly.

Similarly, OCJP is uniquely suited to administer its domestic violence program to improve prosecution of abusers because this is only one of its many prosecution programs. OCJP's other domestic violence programs include one that helps local communities assist and serve victims following reported domestic violence incidents and one that focuses on prosecuting those who commit violent crimes against women. Such programs fall outside of DHS's scope of experience. Moreover, if OCJP's domestic violence programs were shifted to DHS, the Legislature would need to change DHS's statutes if it wanted DHS to maintain OCJP's current focus on the 13 services. DHS would also have to gain experience on how to administer the federal grants used for OCJP's shelter-based program.

RECOMMENDATIONS

To minimize the administrative workload for shelters, OCJP and DHS should coordinate the development of their application processes for their shelter-based programs and identify areas common to both where they could share information or agree to request the information in a similar format.

To eliminate duplicate oversight activities, OCJP and DHS should consider the following changes to their administrative activities and requirements:

- Align the reporting periods for their progress reports so that shelters do not have to recalculate and summarize the same data for different periods.

- Coordinate technical site visits, monitoring site visits, and audits that they schedule for the same shelters.

- Establish procedures for formally communicating on a regular basis with each other their ideas, concerns, or challenges regarding the shelters.

To improve the efficiency of the State's domestic violence programs and reduce overlap of OCJP's and DHS's administrative activities, OCJP and DHS, along with the Legislature, should consider implementing one of the following alternatives:

- Continue to coordinate the departments' activities on projects in which both have interests in improving services. In addition, OCJP and DHS could identify opportunities that might allow each department to focus its funding on specific activities. This could include establishing base funding for shelters.

- Issue a joint application for both departments' shelter-based programs but have each department continue its separate oversight.

- Combine the shelter-based programs at one department. This alternative would require some changes to state law and funding appropriations because both departments have authorizing legislation establishing their shelter-based programs and imposing separate requirements on those funds.

- Consolidate all domestic violence programs at one department. This alternative would also require legislative and funding appropriation changes.

We conducted this review under the authority vested in the California State Auditor by Section 8543 et seq. of the California Government Code and according to generally accepted government auditing standards. We limited our review to those areas specified in the audit scope section of this report.

Respectfully submitted,

ELAINE M. HOWLE
State Auditor

Date: October 24, 2002

Staff: Doug Cordiner, Audit Principal
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APPENDIX A

OCJP's Programs and the Funds It Awarded to Grant Recipients

No.	Program	Competitive/ Noncompetitive	Branch	Fiscal Year 1999–2000	Fiscal Year 2000–01	Fiscal Year 2001–02	Three-Year Average	Total
1	Drug Control Strategy	Noncompetitive	Drug	$41,156,509	$40,964,030	$40,840,566	$40,987,035	
2	Juvenile Accountability Incentive	Noncompetitive	Juvenile	18,723,407	18,571,486	18,991,254	18,762,049	
3	Victim Witness Assistance	Noncompetitive	Witness	17,894,977	19,336,349	18,915,593	18,715,640	
4	Rape Victim Counseling Center	Noncompetitive	Sexual Assault	12,880,488	13,708,073	18,546,649	15,045,070	
5	Domestic Violence	Competitive	Domestic Violence	6,806,200	14,800,613	14,694,735	12,100,516	
6	One-Time Local Law Enforcement Grant	Competitive	Crime	30,000,000	N/A	N/A	10,000,000	
7	War on Methamphetamine	Noncompetitive	Drug	N/A	N/A	30,000,000	10,000,000	**$125,610,310**
1	Cold Hit	Noncompetitive	Crime	N/A	28,500,000	N/A	9,500,000	
2	Vertical Prosecution of Statutory Rape	Noncompetitive	Child	8,293,241	8,361,000	8,361,000	8,338,414	
3	Local Forensic Labs	Competitive	Crime	N/A	N/A	25,000,000	8,333,333	
4	High Technology Crime	Noncompetitive	Crime	3,656,600	3,476,493	13,788,000	6,973,698	
5	Residential Substance Abuse Treatment	Noncompetitive	Crime	6,425,753	6,054,684	6,545,000	6,341,812	
6	Gang Violence Suppression	Competitive	Gang	6,223,455	6,162,403	6,296,900	6,227,586	
7	Child Abuse Treatment-III	Competitive	Child	N/A	5,115,645	11,412,941	5,509,529	**$51,224,372**
1	Community Delinquency Prevention (Title V)	Competitive	Juvenile	5,206,533	3,852,343	5,002,000	4,686,959	
2	Federal Rape Prevention	Noncompetitive	Sexual Assault	5,806,879	5,578,670	786,131	4,057,227	
3	Career Criminal Prosecution	Competitive	Witness	3,987,000	3,987,000	3,987,000	3,987,000	
4	Rural Crime Task Force	Noncompetitive	Crime	3,541,000	3,541,000	3,541,000	3,541,000	
5	Marijuana Suppression Program	Competitive	Drug	3,486,535	3,484,541	3,569,851	3,513,642	
6	Suppression of Drug Abuse in School	Competitive	Gang	3,337,000	3,348,548	3,348,355	3,344,634	
7	Juvenile Justice	Competitive	Juvenile	4,969,963	3,308,905	1,575,406	3,284,758	
8	Major Narcotic Vendors Prosecution	Noncompetitive	Drug	2,641,000	2,641,000	2,641,000	2,641,000	
9	Criminal Justice Information Systems	Noncompetitive	Crime	2,648,750	2,576,468	2,579,619	2,601,612	
10	Child Abuse Treatment-I	Competitive	Child	4,305,626	3,104,702	N/A	2,470,109	

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No.	Program	Competitive/ Noncompetitive	Branch	Fiscal Year 1999–2000	Fiscal Year 2000–01	Fiscal Year 2001–02	Three-Year Average	Total
11	Vertical Prosecution of Violence Against Women	Competitive	Domestic Violence	$2,869,175	$2,892,797	$909,410	$2,223,794	
12	Elder Abuse Vertical Prosecution	Competitive	Witness	2,000,000	2,217,000	2,218,000	2,145,000	
13	Career Criminal Apprehension	Competitive	Crime	1,634,400	2,308,000	2,308,000	2,083,467	
14	Federal (VOCA) Domestic Violence	Competitive	Domestic Violence	5,940,128	N/A	N/A	1,980,043	
15	Juvenile Justice-Diversion	Competitive	Juvenile	1,921,093	1,186,292	1,989,402	1,698,929	
16	Regional Law Enforcement Training Centers	Competitive	Crime	N/A	N/A	5,000,000	1,666,667	
17	Juvenile Accountability Interest	Noncompetitive	Juvenile	N/A	2,723,931	1,848,535	1,524,155	
18	Law Enforcement Specialized Units	Competitive	Witness	1,824,717	1,838,000	732,913	1,465,210	
19	Domestic Violence Response Team Victim Advocates	Competitive	Domestic Violence	1,126,823	1,954,473	1,188,182	1,423,159	
20	Evidentiary Medical Training	Competitive	Sexual Assault	1,364,000	1,364,000	1,524,000	1,417,333	
21	Child Abuser Vertical Prosecution	Competitive	Child	1,304,000	1,384,000	1,304,000	1,330,667	
22	Special Victim's Assistance	Competitive	Witness	1,090,798	1,243,706	1,640,946	1,325,150	
23	Elder Abuse	Competitive	Witness	1,084,119	1,700,000	1,143,399	1,309,173	
24	Sexual Assault Response Team	Noncompetitive	Sexual Assault	1,230,958	1,225,220	1,025,000	1,160,393	
25	Special Emphasis Victim/Witness	Competitive	Witness	1,171,592	1,049,450	1,027,412	1,082,818	
26	Project Challenge	Competitive	Juvenile	1,113,291	1,015,000	1,064,658	1,064,316	
27	Legal Training	Noncompetitive	Drug	1,024,500	977,000	1,042,000	1,014,500	**$60,042,715**
1	Planning and Administration	Noncompetitive	Juvenile	941,709	941,709	941,709	941,709	
2	Community Crime Resistance	Competitive	Gang	923,000	923,000	923,000	923,000	
3	Homeless Youth Pilot Project	Noncompetitive	Child	883,000	883,000	883,000	883,000	
4	Juvenile Exploitation	Noncompetitive	Child	724,500	724,500	824,500	757,833	
5	Drug Endangered Children Response Team	Competitive	Child	1,001,244	48,000	1,212,683	753,976	
6	Child Sex Abuse Training	Competitive	Child	672,000	692,000	835,100	733,033	
7	Vertical Defense of Indigents	Competitive	Gang	692,000	692,000	692,000	692,000	
8	Child and Teen Counseling-Domestic Violence Emphasis	Competitive	Domestic Violence	2,072,341	N/A	N/A	690,780	
9	General Fund-Special Legislation	Competitive	Domestic Violence	N/A	N/A	2,000,000	666,667	

No.	Program	Competitive/ Noncompetitive	Branch	Fiscal Year 1999–2000	Fiscal Year 2000–01	Fiscal Year 2001–02	Three-Year Average	Total
10	Local Law Enforcement	Noncompetitive	Crime	$732,000	$668,258	$532,000	$644,086	
11	Vest Partnership	Noncompetitive	Crime	N/A	490,375	1,275,000	588,458	
12	Serious Habitual Offender	Competitive	Gang	547,000	547,000	547,000	547,000	
13	Probation Specialized Units	Competitive	Witness	660,000	636,358	276,600	524,319	
14	Victim Witness Advocate-VAWA Focus	Competitive	Witness	461,600	500,000	500,000	487,200	
15	Statewide Domestic Violence	Competitive	Domestic Violence	1,460,000	N/A	N/A	486,667	
16	Law Enforcement Training	Noncompetitive	Sexual Assault	918,275	522,000	N/A	480,092	
17	American Indian Domestic Violence/Sexual Assault	Competitive	Sexual Assault	475,999	452,579	500,000	476,193	
18	Jail Removal	Noncompetitive	Juvenile	N/A	801,001	517,765	439,589	
19	Legal Training	Noncompetitive	Sexual Assault	439,000	439,000	439,000	439,000	
20	Specialized Child Abuse Law Enforcement Unit	Competitive	Child	N/A	592,139	676,000	422,713	
21	Technical Assistance and Training	Competitive	Domestic Violence	472,900	497,611	180,000	383,504	
22	Child Abuse/Abduction Prevention	Competitive*	Child	570,085	495,000	N/A	355,028	
23	Child Trauma Reduction	Competitive	Child	1,039,985	N/A	N/A	346,662	
24	Youth Emergency Telephone	Noncompetitive	Child	338,000	338,000	338,000	338,000	
25	D.A.R.E.	Competitive	Gang	1,000,000	N/A	N/A	333,333	
26	American Indian Domestic Violence	Competitive	Domestic Violence	265,444	271,129	450,000	328,858	
27	Child Neglect Treatment	Competitive	Child	949,619	N/A	N/A	316,540	
28	Juvenile Accountability Incentive Block Grant-Non-Eligible Units	Noncompetitive	Juvenile	N/A	N/A	924,743	308,248	
29	Threat Management	Competitive	Witness	206,325	585,100	105,462	298,962	
30	Child Abuse Treatment-II	Competitive	Child	N/A	837,393	N/A	279,131	
31	California Innocence Protection	Competitive	Crime	N/A	N/A	800,000	266,667	
32	Child Sexual Abuse Treatment	Competitive	Child	256,500	256,500	256,500	256,500	
33	Farm Worker Project	Competitive	Sexual Assault	380,000	190,000	190,000	253,333	
34	Multi-Agency Gang Enforcement	Competitive	Gang	248,000	248,000	248,000	248,000	
35	DNA Consortium Project	Noncompetitive	Crime	743,600	N/A	N/A	247,867	

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No.	Program	Competitive/ Noncompetitive	Branch	Fiscal Year 1999–2000	Fiscal Year 2000–01	Fiscal Year 2001–02	Three-Year Average	Total
36	Domestic Violence Victim Services	Competitive	Domestic Violence	$609,838	$40,123	N/A	$216,654	
37	Family Violence Prevention	Competitive	Domestic Violence	194,000	194,000	$194,000	194,000	
38	Rural Domestic Violence/Child Victimization	Noncompetitive	Child	360,866	135,467	75,000	190,444	
39	Parent Child Interactive Therapy	Competitive	Child	N/A	565,517	N/A	188,506	
40	Counter Drug Equipment-Military Support	Noncompetitive	Crime	N/A	200,000	350,000	183,333	
41	System Tracking and Reporting	Noncompetitive	Sexual Assault	150,000	150,000	249,989	183,330	
42	Victim Services Information Program	Noncompetitive	Witness	114,621	114,000	320,000	182,874	
43	Victim Notification Program	Noncompetitive	Witness	95,905	224,000	224,000	181,302	
44	Technical Assistance and Training	Noncompetitive	Sexual Assault	180,000	180,000	180,000	180,000	
45	Victims' Legal Resource Center	Noncompetitive	Witness	173,000	173,000	173,000	173,000	
46	Court Personnel Training	Noncompetitive	Sexual Assault	N/A	N/A	483,503	161,168	
47	Child Death Team Training	Noncompetitive	Child	248,954	75,000	130,000	151,318	
48	Methamphetamine Central Valley Task Force	Noncompetitive	Drug	300,000	150,000	N/A	150,000	
49	Grants to Encourage Arrest Policies	Competitive	Domestic Violence	N/A	241,000	206,000	149,000	
50	Geo-space Electronic Monitoring-VAWA	Noncompetitive	Witness	N/A	N/A	410,000	136,667	
51	Seniors Against Investment Fraud	Competitive	Witness	N/A	N/A	400,000	133,333	
52	Probation Training	Noncompetitive	Witness	66,454	13,575	250,000	110,010	
53	Operation Revitalization	Competitive	Drug	286,812	N/A	N/A	95,604	
54	Child Advocacy	Noncompetitive	Child	250,000	2,861	23,317	92,059	
55	Disability, Abuse, and Personal Rights	Noncompetitive	Child	N/A	100,000	162,000	87,333	
56	High Tech Crime Prosecution-Education	Noncompetitive	Crime	N/A	250,000	N/A	83,333	
57	Youth Tolerance	Noncompetitive	Child	N/A	65,883	112,947	59,610	
58	Local Planning Units	Noncompetitive	Juvenile	176,558	N/A	N/A	58,853	
59	Children's Tribal Court	Competitive	Child	69,919	N/A	100,000	56,640	
60	Prison Industry Projects	Noncompetitive	Witness	166,000	N/A	N/A	55,333	
61	State Identification System	Noncompetitive	Crime	163,156	N/A	N/A	54,385	
62	Strategic Plan	Noncompetitive	Sexual Assault	150,000	N/A	N/A	50,000	
63	Drug Endangered Children Training	Noncompetitive	Child	106,862	N/A	N/A	35,621	

No.	Program	Competitive/ Noncompetitive	Branch	Fiscal Year 1999–2000	Fiscal Year 2000–01	Fiscal Year 2001–02	Three-Year Average	Total
64	Restraining Order	Competitive	Domestic Violence	$103,771	N/A	N/A	$34,590	
65	Tribal Law Enforcement Training	Competitive	Domestic Violence	50,000	$49,511	N/A	33,170	
66	Child Abduction Education	Noncompetitive	Child	N/A	N/A	$87,000	29,000	
67	Cannabis Eradication	Noncompetitive	Drug	N/A	83,316	N/A	27,772	
68	Shelter Beds/Rape Victims/Training	Noncompetitive	Sexual Assault	80,000	N/A	N/A	26,667	
69	Grief Resolution for Abused/Traumatized Children	Noncompetitive	Child	75,071	N/A	N/A	25,024	
70	California Indian Legal Services	Noncompetitive	Child	75,000	N/A	N/A	25,000	
71	Statutory Rape Prosecutor's Training	Noncompetitive	Child	67,759	N/A	N/A	22,586	
72	Child Forensic Interview Training Curriculum	Noncompetitive	Child	N/A	60,000	N/A	20,000	
73	Mandated Reporter Training	Noncompetitive	Child	N/A	50,000	N/A	16,667	
74	Committees	Noncompetitive	Child	33,955	N/A	N/A	11,318	
75	Family Violence Prevention Conference	Noncompetitive	Domestic Violence	N/A	30,000	N/A	10,000	
76	Training Video	Noncompetitive	Child	N/A	N/A	30,000	10,000	
77	Photo-documentation Course	Noncompetitive	Drug	N/A	27,687	N/A	9,229	
78	Juvenile Minority	Competitive	Juvenile	16,140	N/A	N/A	5,380	
79	Victims Pet Therapy Training	Competitive	Child	N/A	N/A	10,000	3,333	**$21,041,392**
	Totals			**$243,129,277**	**$242,999,414**	**$287,627,675**	**$257,918,789**	

Source: OCJP's Grant Management System.

Shaded area designates the programs we tested.

N/A–program did not award funding for that fiscal year.

* This program awards two-thirds of its funds competitively and one-third noncompetitively.

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APPENDIX B

Domestic Violence Shelters Funded in Fiscal Year 2001–02

Domestic Violence Shelter	OCJP		DHS	
	2001 RFP	AB 664 Funds*	2000 RFA	Nine West Funds†
1736 Family Crisis Center	$207,155		$150,000	
A Safe Place	207,155		150,000	
Alliance Against Family Violence & Sexual Assault	207,155		150,000	
Alternatives to Domestic Violence	207,155		150,000	
Antelope Valley Domestic Violence Council	207,155		150,000	
Asian Americans for Community Involvement	185,000		150,000	
Asian Women's Shelter	207,155		150,000	
Association to Aid Victims of Domestic Violence			100,000	$50,000
Building Futures With Women and Children	185,000		187,000	
Casa de Esperanza, Inc.		$232,510	150,000	
Catalyst Women's Advocates, Inc.	207,155		150,000	
Center for Community Solutions	207,155		150,000	
Center for Domestic Violence Prevention	207,155			
Center for the Pacific-Asian Families, Inc.	207,155		150,000	
Central California Family Crisis Center, Inc.	185,000		150,000	
Coalition to End Domestic and Sexual Violence	207,155		150,000	
Community Resource Center			100,000	50,000
Community Solutions for Children, Families, and Individuals			190,000	
Community United Against Violence			100,000	50,000
Crisis Intervention Services (Tahoe Women's Services)	185,000		189,000	
Defensa de Mujeres			112,500	
Desert Sanctuary, Inc.				100,000
Domestic Violence and Sexual Assault Coalition, Inc.	185,000		150,000	
DOVES of Big Bear Valley, Inc.	207,155		150,000	
El Dorado Women's Center	185,000		150,000	
Emergency Shelter Program, Inc.			187,000	
EYE Counseling and Crisis Services, Inc.	207,155		150,000	
Family Services of Tulare County	185,000		150,000	
Haven Hills, Inc.	207,155		150,000	
Haven House, Inc.		207,508		
Haven Women's Center of Stanislaus	207,155			100,000
High Desert Domestic Violence Program, Inc.			187,000	
House of Ruth, Inc.	207,155		150,000	
Human Options	207,155		150,000	
Human Resource Council, Inc. (Calaveras Women's Crisis Center)	185,000		150,000	
Human Response Network	185,000		150,000	
Humboldt Women for Shelter	185,000		150,000	

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Domestic Violence Shelter	OCJP		DHS	
	2001 RFP	AB 664 Funds*	2000 RFA	Nine West Funds†
Interface Children Family Services	$207,155		$150,000	
Interval House Crisis Shelters	207,155		150,000	
Jenesse Center, Inc.	185,000		190,000	
Jewish Family Services of Los Angeles	185,000		188,000	
Kings Community Action Organization, Inc.			185,000	
La Casa de Las Madres	207,155		150,000	
La Casa de San Mateo				$100,000
Lassen Family Services, Inc.	185,000		150,000	
Laura's House	185,000		189,000	
Madera County Community Action Agency, Inc.			189,000	
Marin Abused Women's Services	185,000		150,000	
Marjorie Mason Center, Inc.	207,155		150,000	
Morongo Basin Unity Home, Inc.	185,000		185,000	
Mountain Crisis Services	185,000		190,000	
Mountain Women's Resource Center	185,000		150,000	
Napa Emergency Women's Services	185,000		150,000	
Next Door Solutions to Domestic Violence	207,155		150,000	
North County Women's Resource Center and Shelter			189,000	
Ocean Park Community Center	207,155		150,000	
Operation Care		$157,420		
Option House, Inc.		207,508		
Peace & Joy Care Center	185,000		150,000	
Placer Women's Center (Place for Families)		182,508	150,000	
Plumas Rural Services, Inc.	185,000		150,000	
Project Sanctuary	185,000		150,000	
Rainbow Services, Ltd.	207,155		150,000	
Riley Center of St. Vincent De Paul Society	207,155		150,000	
Rural Human Services, Inc.	185,000		190,000	
Safequest Solano	185,000		175,000	
Sexual Assault and Domestic Violence Center		182,509	150,000	
Shasta County Women's Refuge	207,155		150,000	
Shelter Against Violent Environments, Inc.		207,508	150,000	
Shelter From the Storm	207,155		150,000	
Shelter Outreach Plus			175,000	
Shelter Services for Women, Inc.	185,000		150,000	
Siskiyou Domestic Violence and Crisis Center	185,000		150,000	
Sor Juana Ines Services for Abused Women			187,000	
South Bay Community Services	185,000		186,000	
Southern California Alcohol & Drug Programs, Inc.	185,000		186,000	

Domestic Violence Shelter	OCJP		DHS	
	2001 RFP	AB 664 Funds*	2000 RFA	Nine West Funds†
STAND! Against Domestic Violence	$207,155		$150,000	
Su Casa Family Crisis and Support Center		$207,508	150,000	
Support Network for Battered Women	207,155		150,000	
Sutter Lakeside Community Services	185,000		188,000	
Training, Employment & Community Help, Inc.			160,000	
Tri-Valley Haven for Women	207,155			$100,000
Victor Valley Domestic Violence, Inc.				100,000
Walnut Avenue Women's Center	185,000		150,000	
Wild Iris Women's Services of Bishop, Inc.	207,155		150,000	
Women Escaping a Violent Environment (WEAVE, Inc.)	207,155		150,000	
Women Haven, Inc.	185,000		150,000	
Women Shelter of Long Beach	207,155			100,000
Women's and Children's Crisis Shelter, Inc.			189,000	
Women's Center—High Desert, Inc.	207,155		150,000	
Women's Center of San Joaquin County	207,155		150,000	
Women's Crisis Support	185,000		112,500	
Women's Place of Merced	185,000			
Women's Resource Center	185,000		189,000	
Women's Shelter Program, Inc. of San Luis Obispo County	185,000		150,000	
Women's Transitional Living Center, Inc.		207,508	150,000	
Womenspace Unlimited, Inc.	185,000		150,000	
YWCA Glendale		207,513	150,000	
YWCA of Monterey County	185,000		150,000	
YWCA of San Diego County	207,155		150,000	
YWCA of Sonoma County	185,000		150,000	
YWCA—WINGS, San Gabriel	207,155		150,000	
Totals	**$14,694,735**	**$2,000,000**	**$14,245,000**	**$750,000**

Source: OCJP and DHS files.

* Assembly Bill 664 appropriated $2 million from the State's General Fund so that OCJP could provide funding to 10 shelters that had been previously funded but were not selected for funding in 2001.

† DHS received $1.9 million from a class action suit (State of Florida, et al. v. Nine West Group, Inc.), of which $750,000 was allocated in fiscal year 2001–02 and $150,000 in fiscal year 2002–03 among shelters that did not initially receive funding from DHS. DHS used the remaining $1 million for training ($100,000) and educational outreach for two cancer detection programs.

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APPENDIX C

Summary of Our Findings by Program

	Office of Criminal Justice Planning (OCJP)					Department of Health Services (DHS)
	Drug Control	Juvenile Accountability	Statutory Rape	Gang Violence Suppression	Domestic Violence	Shelter-Based Program
FUNDING PROCESS						
Application Process						
Type of application.	RFA	RFA	RFA	RFP	RFP	RFA*
Are funds awarded on a competitive or a continual basis?	Continual	Continual	Continual	Competitive	Competitive	Competitive
Did the program use prior applications or a boiler plate when creating its current application?	Yes	Yes	Yes	Yes	Yes	Yes
Does the scoring model reflect the priorities established in authorizing legislation?	N/A	N/A	N/A	Yes	Yes	Yes
Application Evaluation						
Did the program follow its processes for receiving and scoring applications?	N/A	N/A	N/A	Yes	Yes	Yes
Does the executive director provide justification for overriding scoring recommendations?	N/A	N/A	N/A	N/A	No	N/A
Does the program adequately communicate the reasons why an applicant was not selected for funding?	N/A	N/A	N/A	No	No	Yes
Application Appeal						
Is the program's appeal process clearly stated?	N/A	N/A	N/A	Yes	Yes	Yes
Does the program offer the applicant sufficient information to base an appeal on?	N/A	N/A	N/A	No	No	Yes
Funding Decisions						
Are funding levels consistent with prior awards?	Yes	Yes	Yes	Yes	No	Yes
Advisory Councils						
Does the program have an advisory council?	No	Yes	Yes	No	No	Yes
Does the program need council approval to make funding decisions?	No	No	No	No	No	No

continued on next page

	Office of Criminal Justice Planning (OCJP)					Department of Health Services (DHS)
	Drug Control	Juvenile Accountability	Statutory Rape	Gang Violence Suppression	Domestic Violence	Shelter-Based Program
Does an advisory committee provide input into the development of the application?	No	Yes	No	No	No	No
Does the advisory committee provide input regarding funding decisions?	No	Yes	No	No	No	No
OVERSIGHT PROCESS						
Technical Site Visits						
Does the program have a reporting instrument to conduct and record site visits?	Yes	Yes	Yes	N/A	Yes	Yes
Number of grant recipients we tested for site visits.	5	4	5	N/A	5	5
Number of grant recipients that received a site visit at least once during the last three years.	5	2	3	N/A	5	1
Number of grant recipients with identified problems.	5	1	3	N/A	5	0
Number of grant recipients with follow-up on identified problems.	1	1	2	N/A	2	0
Monitoring Site Visits						
Number of grant recipients we tested for monitoring visits (or DHS contract audits).	3	3	3	N/A	5	5
Number of grant recipients that received a monitoring visit (or DHS contract audit) at least once during the last three years.	3	3	2	N/A	2	1
Number of grant recipients with identified problems for this program.	1	1	2	N/A	2	1
Progress Reports						
Number of progress reports we tested.	13	15	11	N/A	14	13
Number of progress reports submitted over 30 days late.	2	4	1	N/A	5	4
Number of times progress reports were 30 days late and no follow up occurred.	2	4	1	N/A	4	4
Number of progress reports reviewed by staff.	13	15	11	N/A	12	2
Number of progress reports with identified problems.	1	1	2	N/A	4	2
Number of progress reports with follow-up on identified problems.	1	0	2	N/A	1	2

	Office of Criminal Justice Planning (OCJP)					Department of Health Services (DHS)
	Drug Control	Juvenile Accountability	Statutory Rape	Gang Violence Suppression	Domestic Violence	Shelter-Based Program
Audit Reports						
Number of audit reports selected for testing.	3	3	3	N/A	5	9
Number of audit reports submitted at least three months late or never submitted at all.	2	2	2	N/A	2	5
Number of grant recipients not promptly contacted when audit report was more than three months late.	1	2	0	N/A	2	3
Number of grant recipients that had a hold placed on their funds due to late submission of an audit report.	0	1	1	N/A	2	0
Number of audit reports reviewed within six months of receipt of the report.	0	0	0	N/A	0	7

* DHS's RFA is similar to OCJP's RFP and is competitively awarded.

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Agency's comments provided as text only.

Governor's Office of Criminal Justice Planning
1130 K Street, Suite 300
Sacramento, CA 95814

October 10, 2002

Elaine M. Howle*
State Auditor
Bureau of State Audits
555 Capitol Mall, Suite 300
Sacramento, CA 95814

RE: BSA Audit Report re Office of Criminal Justice Planning, 2002-107

Dear Ms. Howle:

The Office of Criminal Justice Planning (OCJP) appreciates the opportunity to respond to your audit review of our office. Enclosed is OCJP's response to the Bureau of State Audits' Report No. 2002-107, as well as a copy of the response on a diskette.

We believe that after a rigorous review, your office has provided helpful recommendations. We appreciate the thoroughness of the review, and will use the recommendations to further improve OCJP's operations and service.

Finally, I would like to commend you and your staff on the professional way in which the audit was conducted. Should you require any additional information, you may contact my Chief Deputy Director, Michael Levy, at (916) 324-9140.

Sincerely,

(Signed by: N. Allen Sawyer)

N. Allen Sawyer
Interim Executive Director

* California State Auditor's comments begin on page 97.

OCJP's RESPONSES TO BSA's DRAFT AUDIT REPORT, 2002-107

INTRODUCTION

Thank you for the opportunity to respond to the Bureau of State Audits' (BSA) Report No. 2002-107, which includes recommended changes for the Office of Criminal Justice Planning (OCJP or Office). We agree with many of the recommendations, and as discussed below, will be taking appropriate actions to implement those changes.

As the lead California agency in crime prevention, crime suppression, and criminal justice planning, OCJP's mission is to facilitate the public's safety and provision of support services for crime victims through the funding of over 1,100 programs statewide. We are committed to providing the highest quality of service to our grantees.

This audit report comes at an important time. In February 2002, the Governor appointed N. Allen Sawyer as OCJP's Interim Executive Director. Just prior to that appointment, Mr. Sawyer testified before the Legislature about OCJP's domestic violence program. At the hearing, a number of issues were raised regarding OCJP's processes and procedures and its interactions with grantees.

Taking these issues very seriously, during the past six months Mr. Sawyer and OCJP's staff have devoted significant effort to improving the services provided to our grantees. For instance, we created a Public Outreach Coordinator/Quality Assurance position that is tasked with the responsibility for handling, at the direction of the Chief Deputy Director, any concerns or criticisms brought to OCJP by any of its grantees. We also have significantly streamlined our grant application processes by simplifying the competitive Requests-For-Proposals (RFP) so that they are less burdensome and time consuming to the applicants. In addition, we are in the process of revising the appeals guidelines so as to ensure fairness to all applicants who have been denied funding. Finally, we have taken steps to promote a more grantee-friendly approach to our on-site visits with grantees so that our staff can provide the best service possible to our constituents.

While we are pleased with the progress that our Office has made thus far, we continue to strive to improve our services and our operations. This audit report will be useful in assisting OCJP to implement further changes.

BSA Report Ch. 1: Weaknesses in OCJP's Process for Awarding Grants May Result In the Appearance That Its Awards are Arbitrary or Unfair

OCJP's Response:
Recognizing the serious consequences that the use of past performance in a funding decision can have on our grantees, Mr. Sawyer instituted a moratorium on considering past performance until a formal policy could be developed and implemented. OCJP's legal counsel is drafting a formal policy on the use of past performance in funding decisions, which will be completed by November 15, 2002. Before this policy is implemented on January 1, 2003, however, it will be sent out to our grantees for comment.

With respect to the audit findings in this area, we are pleased to note that, after reviewing more than 500 grants spanning a three-year period, BSA gave only one example of concerns regarding the grant awarding process. The example, regarding one funding decision in the 2001 Domestic Violence Assistance Program (DVAP) where two grantees' past performance problems were considered, is the same example that already was addressed in-depth at the February 2002 legislative hearing. In fact, during the nearly four years of this current administration, where OCJP has conservatively made over 3,000 funding decisions affecting 1,100 grantees, no other grantee's past performance was a negative factor in the funding decision.

BSA Report Ch.1: When Denying Awards, OCJP Has Not Given Applicants the Information or Time Necessary to Appeal Its Decisions

OCJP's Response:
To address the possible view that the current appeals guidelines are overly strict in terms of the time in which an applicant may file an appeal after receiving a denial notice and the limited information provided to the applicant, Mr. Sawyer has issued a directive for new appeals guidelines. The formal changes to the appeals guidelines will be completed by November 15, 2002 and implemented on January 1, 2003 following input from our grantees. In the meantime, OCJP's Chief Legal Counsel, who oversees the appeals process, has granted extra time for applicants to file their appeals statements; and OCJP has been forthcoming in the provision of information to unsuccessful applicants who have appealed their denial of funding to assist them in understanding the denial and in developing their appeal.

BSA Report Ch. 1: OCJP Has Not Consistently Used Advisory Committees to Receive Guidance and Input From Grant Recipients and Related Advocacy Groups

OCJP's Response:
Shortly after the February 2002 legislative hearing, Mr. Sawyer met with legislative staff to further discuss the DVAP shelter program. It was felt that a DV advisory committee might prove useful to OCJP in its administration of the program. This committee would be similar to the informal committee that OCJP used prior to it being abolished for fiscal reasons in the early 1990's. A bill therefore was crafted that created a DV Advisory Council (Advisory Council). The bill, SB 1895, was signed into law by Governor Davis last month. Pursuant to the statute, the Advisory Council will be composed of experts from the domestic violence community and will work closely with OCJP in developing funding priorities, framing the request for proposals, and soliciting applicants. To that end, the Advisory Council will work with OCJP in setting funding levels for the ongoing shelter program, not only as a whole but also to determine the funding amounts for the individual shelters. We look forward to working with the Advisory Council in order to better meet the needs of the domestic violence community.

BSA Report Ch. 1: OCJP Does Not Provide Consistent and Prompt Oversight of Grant Recipients

OCJP's Response:
OCJP has set, and is committed to maintaining, high standards with respect to its oversight activities. Regarding face-to-face grantee visits, OCJP has the goal of conducting one site visit for a new grantee within the first six months of the grant period and one monitoring visit within the three-year grant period. At a minimum, every grantee will receive a visit at least once every three years. In particular, with respect to the DVAP shelter program, each shelter will be visited by a state representative (from either OCJP or DHS) at least once in every three-year grant cycle.

During the past three years, OCJP already has made tremendous strides in reaching its oversight goals. From FY 1996/97 through FY 1998/99, OCJP conducted a combined total of 436 site and monitoring visits. By contrast, 1,355 site and monitoring visits have been conducted from FY 1999/00 through FY 2001/02—a 310% increase over the preceding three-year period. These numbers demonstrate OCJP's progress and commitment in reaching these self-imposed goals.

The progress in the monitoring branch in particular highlights the dramatic improvements that have been made. Prior to FY 1998/1999, OCJP conducted as few as one or two grantee monitoring visits per year. By contrast, since FY 1998/99, OCJP has averaged almost 140 grant monitorings per year, and the monitoring branch has developed and successfully implemented a set of monitoring instruments, guidelines, and procedures. In addition, to better utilize our limited staff and resources, OCJP is in the process of prioritizing its monitoring visits based on an internal risk assessment.

In addition to face-to-face visits with grantees, OCJP intends to increase coordination between its programs, audits, and monitoring branches to better address grantee issues and concerns, as well as to improve documentation and follow-up on grantee performance problems and corrective actions taken.

With respect to its auditing role, OCJP is making significant progress in reducing the backlog of audit reports that grantees submit to OCJP for review. OCJP historically has been able to review several hundred reports annually, primarily through the use of outside auditors. Unfortunately, a backlog of unreviewed audit reports developed in FY 2001/02 due to an expired contract with outside auditors and a delay in entering into a new contract with the Department of Finance's (DOF) audit unit. However, this backlog is currently being reduced by the DOF auditors, as well as increased review by OCJP staff auditors. Moreover, OCJP intends to work with the State Controller's Office (SCO), and eliminate if necessary, audit reviews of municipal grantees that are duplicative of the SCO's reviews.

BSA Report Ch. 1: OCJP Has Not Properly Planned Its Evaluations or Managed Its Evaluation Contracts

OCJP's Response:
With respect to OCJP's evaluations branch, it should be noted that there has been

instability for several years due to significant staff turnover and shortage (including the prolonged absence of both a branch manager and division chief for over a year). Because most evaluations take at least one to three years to complete, continuity of staff is an important part of ensuring timely and consistent evaluation reports; and the impact of these staffing issues has been particularly acute to OCJP's evaluations branch.

Despite these impediments, we believe that OCJP is moving in the right direction. Since the arrival last year of the new Chief Legal Counsel, who oversees the evaluations branch, significant efforts have been made to identify and prioritize those evaluations that are mandated. We also are working to ensure that evaluation criteria and requirements are met, including those criteria previously identified by the Legislative Analyst's Office (LAO).[1]

In addition, one of our three programs division chiefs has been assigned to oversee the evaluations activities, monitor evaluations contracts, and develop evaluations-related policies and processes. While this will affect the workload of the programs divisions, we believe it is necessary to address this situation.

Furthermore, significant progress already has been made to incorporate the programs staff into all aspects of the evaluation process, including: 1) determining what programs should be evaluated; 2) educating evaluators on the programs; 3) determining how program effectiveness should be measured; 4) developing research instruments; and 5) reviewing draft reports and recommendations. While OCJP would like to conduct non-mandated evaluations in addition to the mandated ones, given the current staffing shortage and budgetary constraints, these will be conducted as resources become available.

With respect to evaluation contracts, OCJP already has taken steps to ensure that these contracts, as well as all other OCJP contracts, are legally compliant. Unlike before, the Chief Legal Counsel now oversees all aspects of OCJP's contracting process. OCJP's Chief Legal Counsel will ensure that its interagency agreements for evaluation services (as with all other such contracts) contain specific deliverables and reasonable terms, and do not circumvent the competitive bidding, civil service, or other requirements. We note BSA's acknowledgement that OCJP's recent contracts are a significant improvement over the contracts for which they raise concerns.

With respect to the University of California, Santa Cruz (UCSC) contract, it was never intended to be a circumvention of competitive bidding or any other rules. Rather, this contract, which was approved by the Department of General Services, was necessary to address OCJP's urgent need for a number of evaluators to work on OCJP program evaluations. As stated above, OCJP's Chief Legal Counsel now oversees all contracts, and OCJP will avoid entering into future evaluation contracts with UC or CSU where non-UC or CSU faculty, staff or students are used for performing the services.

[1] Specifically, in its analysis of the FY 1998/99 budget bill regarding OCJP, the LAO identified the following five criteria that OCJP's program evaluations should address: 1) if the grant objectives were achieved; 2) whether each of the elements of a program did or did not work; 3) whether funds expended were done so efficiently and obtained the best value; 4) whether the grantees succeeded in addressing the problem the grant was intended to solve; and 5) whether any of the lessons learned in the implementation of the program should be shared with other agencies facing similar problems.

With respect to the deliverables under the UCSC contract, given the limited time constraints, specific deliverables were not identified initially but were contemplated to be added once the evaluators were provided. However, though it was entered into in 2000, UCSC did not provide many of the evaluators until well into 2001. Once the evaluators were able to provide their evaluation plans and timeline for deliverables, it did not make sense to amend the contract to include them, given that the plans required work that would exceed the term of the contract.

Despite the lack of specified deliverables in the UCSC contract, OCJP obtained significant work product from the contractors. For example, the recently released evaluation report on the Rural Domestic Violence and Child Victimization Program was completely produced under the UCSC contract. Moreover, through the efforts of the UCSC contract evaluators, significant phases of several other in-progress evaluations have been completed. Those include the Child Abuse Treatment Program, Law Enforcement Specialized Unit Program, and the Multi-Jurisdictional Drug Task Force evaluations. Contracts are already or will be in place for the completion of these evaluations.

BSA Report Ch. 1: OCJP's Allocation Of Indirect And Personnel Costs May Have Resulted In Some Programs Paying For The Administration Of Others

OCJP's Response:
OCJP already has developed and taken steps to implement a process for its staff to record their time when they work on multiple programs by use of functional timesheets. These timesheets were based off of other state agencies' timesheets and their accounting procedures regarding labor tables. To date, we have developed a timesheet format and have initiated the development of procedures to implement the timesheet throughout OCJP. OCJP anticipates testing the timesheet as early as December 2002.

Tied to the use of functional timesheets is a revision of OCJP's cost allocation process. OCJP will review and revise its current cost allocation process, including determining if a staff person is a direct or indirect charge to a grant. The cost allocation process will be reviewed annually (at the end of the fiscal year) to ensure that costs are being allocated appropriately. The fiscal division will maintain documentation of the initial cost allocation plan and of any changes due to the annual review of the cost allocation plan.

BSA Report Ch. 2: OCJP's Decision Not To Correct An Error In Its Request For Proposals Resulted In Fewer Shelters Receiving Funding

OCJP's Response:
We are pleased that SB 1895 created the Advisory Council to assist OCJP in determining future funding priorities for the DVAP shelter program. This newly created Advisory Council will be able to recommend specific funding levels for all shelters in the program, and we look forward to working with them.

With respect to BSA's concern that there was an error in the 2001 DVAP grant awarding process that resulted in three fewer shelters receiving funding, we make a few observations. First, under the 2001 DVAP RFP, the Office was able to fund four more shelters as compared to the previous grant cycle – 75 shelters versus 71.

Second, the addition of these four shelters comes on top of the reasonable $30,000 increases provided to only seven small service area shelters. The remaining shelters funded at $185,000 in the 2001 DVAP RFP were previously funded at $179,000, receiving a minimal $6,000 increase.

Third, the BSA's conclusion appears to be premised on the position that the previous lower funding levels were appropriate for the 2001 funding cycle. However, the seven small shelters identified above had been funded at or below the $154,000 annual amount for the past several years, which was deemed to be inadequate. The decision to increase these shelters' funding levels to $185,000 was based on a combination of factors, including: 1) input received from the domestic violence community that the previous levels were inadequate; 2) the domestic violence branch's experience in administering the program; and 3) the demonstrated need discussed in the various shelter proposals received.

Additionally, just prior to the 2001 funding period, there were significant increases to the state's share of federal funds – most notably the Victims of Crime Act (VOCA) funds, which constitutes nearly half of the money provided to the shelters. In fact, beginning in FY 2000, the state's VOCA award increased an average of 50% from previous years – $39.2 million in FY 00 versus $24.3 in FY 99 and $28.4 in FY 98. Thus, the twenty percent increase that the seven shelters received in their individual awards from the prior year was appropriate.

The BSA highlights the fact that the domestic violence branch did not receive written input from the shelters detailing that the previous funding levels were insufficient. While in certain situations written input is preferable to verbal input, we are wary of requiring our grantees to provide their input in writing; as such a requirement would be burdensome and unworkable for both our grantees and OCJP.

Third, the $185,000 funding level was not the result of a technical error in the application. As discussed above, this funding level was appropriate and based on input from the domestic violence community. OCJP's RFP stated in the Allocation of Funds paragraph: "each project will receive between $185,000 and $396,000 depending on the service area population and demonstrated need." Just below that description, the following table showed four population categories so that applicants could determine the maximum funding level for which they could apply:

Service Area Population	**Maximum Funding Level**
Under 50,000	$185,000
50,000-125,000	$245,000
125,000-500,000	$300,000
Over 500,000	$396,000

For those small shelter applicants servicing less than 50,000 people, the RFP clearly provided that their minimum and maximum funding amounts were the same: $185,000. No applicants questioned or in any way complained about the funding levels being unclear in this RFP.

Finally, with respect to the new shelters added to the DVAP program, BSA notes that even more shelters could have been added had the new shelters been funded at levels below existing shelters. However, we believe the 2001 DVAP RFP properly treated all shelters equally, whether they were new to OCJP funding or not. In order to be eligible for funding, applicant shelters were required to be in operation for at least the past two years. In addition, all shelters (new or existing) must provide statutorily mandated services to receive OCJP funding. Because there is little operational difference between a newly-funded shelter and an existing OCJP-funded shelter, we do not believe it appropriate to restrict or reduce the first year of funding for a shelter to a level below that amount determined necessary for operations by existing shelters. To do so would only serve to diminish the ability of the newly funded shelters to operate as successfully as the existing shelters.

BSA Report Ch. 3: Greater Cooperation or Consolidation Between OCJP's and DHS's Programs Could Increase Efficiency

OCJP's Response:
Recognizing that there is some overlap between OCJP's and DHS's domestic violence shelter programs, and in an effort to minimize duplication and reduce administrative costs, both offices already have been cooperating and collaborating on a variety of oversight activities, including:

- A joint Progress Report, developed in 2000/01;
- A joint Project Directors' meeting, held in April, 2002, with similar joint meetings to follow;
- A joint proclamation for DV awareness month;
- Joint site visits between OCJP and DHS began in early October;
- Joint regional meetings and trainings, to commence in the near future; and
- Joint attendance at DHS' Domestic Violence Advisory Council and OCJP's newly-created Advisory Council meetings.

In addition, OCJP and DHS will make every effort to further coordinate and consolidate program activities to reduce unnecessary duplication. For example, on the joint progress report, the reporting periods will be synchronized. In addition, a formalized communication system will be developed between DHS and OCJP to ensure optimal information sharing. With respect to site visits, OCJP and DHS will meet immediately to assess staff resources and develop a system to ensure that all DV shelter grantees are visited by either a DHS or OCJP representative (or both) at least once every three years.

Finally, with respect to BSA's recommendations on further consolidation, once the appointments are made to OCJP's Advisory Council established pursuant to SB 1895, this committee will meet jointly with DHS's DV Advisory Council on a regular basis to consider all options for coordination and consolidation of programs and will initially focus on the administrative alternatives identified in the audit report.

COMMENTS

California State Auditor's Comments on the Response From the Office of Criminal Justice Planning

To provide clarity and perspective, we are commenting on the Office of Criminal Justice Planning's (OCJP) response to our audit report. The numbers below correspond to the numbers we have placed in the response.

1. This statement is somewhat misleading in suggesting that we reviewed 500 grants. Rather, as we state in the Scope and Methodology section on page 14, we evaluated OCJP's grant application, grant award, and grant appeals processes for four programs and the grant application process for a fifth program.

2. OCJP overstates what we said. On page 37 of the report we stated that **one** of OCJP's ongoing contracts we reviewed contains measurable deliverables and a timeline.

3. As we state on page 46 of the report, we do not dispute OCJP's belief that $185,000 is an appropriate minimum funding amount. We do, however, take issue with the lack of a documented rationale for how the decision was reached.

4. By not receiving written input from the shelters regarding the sufficiency of their funding or otherwise documenting its funding decision, OCJP remains vulnerable to claims that its decisions regarding funding are unfair or biased.

5. We disagree. OCJP's own funding actions dispute its statement that the requests for proposals (RFPs) clearly provided that the minimum and maximum funding amounts of $185,000 were the same for shelters serving less than 50,000 people. As we state on page 46, the chief of the Domestic Violence Branch (branch chief) discovered the inconsistency in the RFP in early August 2001 and notified her supervisors, but rather than seeking legal advice or sending out a correction notice, the branch chief adjusted the funding levels of several small shelters to accommodate the higher $185,000 minimum funding amount.

If the minimum and maximum funding amounts were the same for these shelters, no upward adjustment would have been needed.

- We do not state that OCJP should treat shelters unequally. While the deletion of this clause did affect the number of shelters OCJP was able to fund, we agree that the deletion was appropriate, as we state on page 48 of the report.

Agency's comments provided as text only.

Health and Human Services Agency
1600 Ninth Street, Room 460
Sacramento, CA 95814

October 11, 2002

Elaine M. Howle*
State Auditor
555 Capitol Mall, Suite 300
Sacramento, CA 95814
Dear Ms. Howle,

Thank you for your letter of October 4, 2002, conveying the draft audit report titled, Office of Criminal Justice Planning (OCJP): Experiences Problems in Program Administration, and Alternative Administrative Structures for the Domestic Violence (DV) Program Might Improve Program Delivery. The report includes findings and recommendations on the DV program administered by the Department of Health Services (DHS). The Health and Human Services Agency (HHSA) appreciates the opportunity to comment on the report.

I am forwarding to you DHS' responses to the review findings and recommendations. I understand that DHS has already taken a number of actions to address the issues raised in the Bureau's report.

Thank you again for sharing the draft copy of your findings and recommendations. If you require further information, please do not hesitate to contact me directly. You may also contact Diana M. Bontá, Director of DHS, at (916) 657-1425.

Sincerely,

(Signed by: Grantland Johnson)

GRANTLAND JOHNSON
Secretary

Enclosure

* California State Auditor's comment appears on page 107.

Department of Health Services
714 P Street
Sacramento, CA 95814

October 11, 2002

Ms. Elaine M. Howle
State Auditor
555 Capitol Mall, suite 300
Sacramento, CA 95814

Dear Ms. Howle,

Thank you for your letter of October 4, 2002, conveying the draft audit report titled, Office of Criminal Justice Planning: Experiences Problems in Program Administration, and Alternative Administrative Structures for the Domestic Violence (DV) Program Might Improve Program Delivery. The report includes findings and recommendations on the DV program administered by the Department of Health Services (DHS).

DHS has carefully considered your recommendations. In recent months, DHS has undertaken a number of activities, many of which incorporate specific audit recommendations. Among them are implementation of the statutorily mandated site visit requirements; development of a risk-based assessment tool to assist in scheduling the site visits; extension of shelter contracts and obtaining budget authority to continue all current DHS shelter grantees through FY2003-04 so that DHS and OCJP grant cycles end in the same year; statutory extension of the sunset date for the DV Advisory Committee (DVAC) to 2006; increased coordination with OCJP, including joint staff and shelter meetings; elimination of the progress report backlog; and implementation of a system to ensure timely review of incoming reports from the shelters.

Program Background

The Battered Women Protection Act of 1994 directed that the DV program be located in the Maternal and Child Health (MCH) Branch of DHS. Initially mandated as a shelter-based program, subsequent legislation augmented funding to DHS and specified that a portion of the funds be spent on prevention efforts and outreach and services to unserved or underserved populations. In addition to providing shelter services, DHS-funded DV shelters facilitate access to care for their clients via activities such as individual and group counseling for adults and children, hospital emergency room assistance, assisting in access to health care entitlement programs, including Medi-Cal, and ensuring public health practices such as dental, hearing, vision, and communicable disease screening, and immunizations. These public health approaches distinguish the DHS DV program.

Findings and Recommendations

- ***Grant Process***

DHS should utilize past performance when reviewing applications for funding.

Although the 2000 Request for Application (RFA) included a provision for considering past performance, DHS did not use this factor, in part because no criteria existed to utilize such a component. DHS acknowledges that utilizing past performance of a grantee, with specific criteria, may be of value. To more fully explore this issue, DHS will request DVAC consideration of this issue in preparation for future RFA's. If DHS determines that past performance is to be utilized in determining grant awards, specific criteria will be developed prior to the implementation of such a practice.

In lieu of past performance, DHS has utilized alternative criteria to determine how a shelter has performed in the past. For example, the 2000 RFA requested that shelters describe their experience and staff expertise in providing shelter-based services. Additionally, at least one letter of reference, verifying performance issues in at least two categories, was required. The first category was specific to verification that the agency had been in operation for at least one year and provided services to battered women and their children. The second required at least one letter of reference to document that the agency had adequately trained staff to provide culturally and linguistically appropriate services.

DHS has discretion to determine how funding will be awarded to shelters.

Health and Safety Code §124250(c) requires DHS to award funds to battered women's shelters as a result of an RFA process, which is a competitive process. An RFA process involves establishing standards and criteria in an RFA, evaluating the information provided in applications received against those specified standards and criteria, and awarding funds based on that evaluation. DHS has followed the requirements of this statute. The DHS procedure in awarding funds is consistent with a legal opinion of the Office of Legislative Counsel dated April 30, 2002, which states:

> "the department must award grants consistent with the standards and criteria adopted by the department. These standards and criteria must take into account the criteria expressed in Section 124250 that grants be made to maintain existing program, expand existing services, create new services, and to establish new shelters. Further, the department's exercise of authority to determine the number and amount of the grants must take into account the total amount of funds available for expenditure" (p. 5).

Thus, the Legislative Counsel recognizes that Section 124250 requires DHS to establish standards and criteria against which applicants must compete for limited funds that must be awarded to both existing and new shelter service providers.

DHS recognizes that BSA has a differing opinion on the requirement for a competitive grant process. If, in consultation with the DVAC, changes are considered in the award process, DHS believes legislation may be required.

- ***Oversight***

Review of progress reports and audits.

DHS has eliminated the progress report backlog and has put a system in place to ensure timely review and follow up of these reports. Recognizing that non-receipt or late submittal of required reports could be indicative of potential problems, DHS acknowledges the importance of this function and is committed to ensuring timely review and follow up of the required documents. DHS has developed a system that maintains a status log for the receipt of DV related deliverables, which includes progress reports.

For the monitoring of progress reports, follow up contact will be made on a regular basis with grantees that have not submitted the reports by the required time. The status log also includes a "notes" column, which will be used to document the efforts to secure late progress reports. Written communication or e-mail contact with the grantees will be maintained in the working file.

Regarding audit reports, DHS also concurs that existing guidelines must be followed, which requires prompt follow-up of late audit reports. DV grantees are required to submit their annual financial audit within five and one-half months after the end of the fiscal year. DHS has developed and maintains an audit-tracking log to monitor timely receipt of these audits. In addition, guidelines have been developed to ensure that audits are received.

DHS understands the importance of this function as it relates to the ongoing viability of shelters and has made a commitment to follow the established guidelines and enforce compliance of this requirement.

Monitoring visits as required by SB 185.

DHS and OCJP will meet immediately to assess staff resources and develop a system to insure all domestic violence shelter grantees are visited by either OCJP or DHS at least one time per grant cycle. Additionally, in recognition of the importance of this function and to comply with the requirements of SB 185, DHS developed a standardized site visit review tool and began site visits October 8, 2002. A second site visit is scheduled October 22, 2002. Both of these visits are being done jointly with OCJP. All future site visits will be coordinated between DHS and OCJP as referenced above. At a minimum, DHS will conduct site visits to two shelters per month.

In order to accomplish the mandates of SB 185 and further strengthen the public health aspect of the program, DHS has incorporated nurse consultants into the monitoring and

oversight process. The value demonstrated has been to maximize resources and to more firmly establish the interface between the local public health programs for women, adolescents, and children and the shelter programs.

Risk-based assessment to assist in prioritizing site visits.

As indicated above, DHS has already begun making the mandated site visits and will perform at least two per month. The first site visit occurred on October 8, 2002 and was done jointly with OCJP. DHS has developed a risk-based assessment tool that includes criteria for evaluating and prioritizing site visits to shelters. In addition to insuring each shelter is visited once per grant cycle, the assessment tool will benefit DHS when determining the schedule for site visits.

In addition to the recently developed risk-based assessment tool, DHS has also utilized a number of practices to provide monitoring and technical assistance of shelter operations. These practices include informal site visits, telephone calls, referral to a technical assistance contractor, public health audit or other approaches. DHS uses trained and experienced program consultants who use criteria to balance the shelter needs and program oversight responsibilities. For example, the training and technical assistance contractor conducted approximately 15 regionalized sessions to 23 shelters and provided on-site training and technical assistance to seven shelters.

All of these efforts assisted DHS in carrying out their oversight responsibilities as it relates to the shelters.

- ***Domestic Violence Advisory Council***

The DVAC is useful in advising DHS on issues related to the DV program.

The DVAC, which has a quorum, met three times in 2002 to provide advice and counsel to DHS on DV issues; a fourth meeting is scheduled for December 9, 2002. During this time, two teleconferences were also held to obtain advice from the DVAC and two more teleconferences will occur in November prior to the December 9 meeting. Because DHS values the input of the individuals on the DVAC, DHS proposed legislation, which was enacted, extending the sunset of this Council to 2006. To ensure the input from the DHS - DVAC is as comprehensive as possible; all six of the members who represent shelters are also OCJP-funded.

There was a period of time when the DVAC was inactive, however, during that period DHS continued to actively solicit input from stakeholders. Extensive effort was made to reach out to grantees and other constituencies to provide input to DHS on the DV Program, using the expertise to focus and manage several aspects of the program. Additionally, the DVAC supported DHS's comprehensive public health approach to DV in its 1998 policy document and strategic plan, Preventing Domestic Violence: A Blueprint for the 21st Century. During

this timeframe, absent regular meetings with the DVAC, DHS continued to follow the blueprint, working to implement the objectives laid out in that document.

- ***Coordination with OCJP***

Coordination of reporting requirements by DHS and OCJP.

Recognizing that duplicative, often conflicting requirements result in time lost to serving clients, DHS is committed to continue working with OCJP and will make every effort to coordinate and consolidate program activities to reduce unnecessary duplication. Progress reports will be consolidated and reporting periods will be synchronized. A formalized communication system will be developed to insure optimal information sharing.

The following have also occurred as a result of the close coordination and collaboration with OCJP.

- Jointly sponsored and funded a 3-day conference in April 2002 for shelter executive directors funded by OCJP and DHS. Planning for joint meeting in 2003 is underway.
- In 2002, DHS Acting Deputy Director for Primary Care and Family Health and OCJP Acting Chief Deputy Director have met to discuss policy approaches several times and communicate regularly about ongoing issues affecting both departments.
- Issued a joint proclamation in recognition of October 2002 being Domestic Violence Awareness month.
- DHS and OCJP have twice convened all staff for joint meetings since January and a third is scheduled for December 2002.
- Program staff meet frequently to plan such activities as joint executive directors meeting, development of a joint plan to facilitate coordination of program efforts, and other program operational issues. OCJP and DHS DV managers maintain regular communication with face-to-face meetings, telephone calls, and e-mail.
- OCJP was on the agenda for the October 7, 2002 meeting of the DHS DVAC. There was considerable exchange of ideas and discussion with OCJP. This coordination will continue when the newly appointed Advisory Council for OCJP is in place.
- DHS, accompanied by OCJP, began making site visits as mandated by SB 185 in early October 2002.
- Jointly sponsored regional training meetings.
- Began exploration of a method to utilize a “boilerplate” RFA format that would reduce application duplication and further coordinate and streamline the process for applicants.

These steps represent the efforts of both DHS and OCJP to minimize conflicting requirements and assist the shelters in the best utilization of their restricted resources.

Recently enacted SB 1895 established Domestic Advisory Council to OCJP. Once appointments to that Council are made, the two Councils will meet jointly on a regular

basis to consider all options for coordination and consolidation of the programs. The joint committees will review the alternatives identified in this report.

Again, we appreciate the opportunity to comment on the report. Should you have any questions, please contact Catherine Camacho, Acting Deputy Director, Primary and Family Health at (916) 654-0265.

Sincerely,

(Signed by: David Souleles for Catherine Camacho)

Diana M. Bontá, R.N., Dr.P.H.
Director

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COMMENT

California State Auditor's Comment on the Response From the Department of Health Services

To provide clarity and perspective, we are commenting on the Department of Health Services (department) response to our audit report. The number below corresponds to the number we have placed in the response.

● While these other practices that the department lists may benefit the shelters, they cannot replace the technical site visits that are required by law.

cc: Members of the Legislature
Office of the Lieutenant Governor
Milton Marks Commission on California State Government Organization and Economy
Department of Finance
Attorney General
State Controller
State Treasurer
Legislative Analyst
Senate Office of Research
California Research Bureau
Capitol Press

California State Auditor

BUREAU OF STATE AUDITS

Office of Criminal Justice Planning

Experiences Problems in Program Administration

Presentation by

California State Auditor

May 22, 2003

This presentation document is only intended to outline selected portions of Report 2002-107, *Office of Criminal Justice Planning: Experiences Problems in Program Administration, and Alternative Administrative Structures for the Domestic Violence Program Might Improve Program Delivery.* For a more complete explanation of the points outlined in this document, refer to the report.

Table of Contents

Audit Scope 1

Audit Highlights 2

OCJP Can Improve How It Administers Grants 3

OCJP and DHS Can Both Improve How They Administer the Domestic Violence Program 8

California Could Improve Its Provision of Domestic Violence Services by Moving Toward Greater Coordination or Consolidation 10

State Auditor Recommendations 14

Tables

Table 4 17
Table 5 18

AUDIT SCOPE

Audit of the Office of Criminal Justice Planning's (OCJP) administration of grant programs.

Selected four programs for review based on the amount of grant funds awarded:

- Domestic Violence Program
- Multijurisdictional Drug Task Force Program
- Vertical Prosecution of Statutory Rape Program
- Juvenile Accountability Incentive Program

Evaluated OCJP's grant application, grant award, and grant appeals processes.

- For the grant application review, we also included the gang violence suppression program, since its application process is similar to that of the domestic violence assistance program.

Examined OCJP's and Department of Health Services' (DHS) oversight activities and monitoring of respective grant programs.

Reviewed OCJP's processes for charging personnel costs to its programs.

Examined the overlap in the domestic violence programs administered by OCJP and DHS.

Intent was to identify alternatives to their current structure that might increase administrative efficiency, reduce duplication of effort, and provide maximum funding for eligible applicants.

AUDIT HIGHLIGHTS

OCJP has not fulfilled all of its responsibilities in administering state and federal grant-supported programs including the domestic violence program.

OCJP:

- Has not adopted guidelines to determine the extent it weighs grant recipients' past performance when awarding funds.
- Does not always provide unsuccessful grant applicants the necessary information nor time to challenge its award decisions.
- Missed opportunities to seek guidance an advisory committee could provide regarding program administration.
- Has not consistently monitored grant recipients including such activities as conducting site visits and reviewing audit reports grantees must submit to OCJP. Does not promptly follow up to ensure problems identified through visits or in its review of audit reports are resolved.
- Spent $2.1 million during the last three years on program evaluations of uneven quality, content, and usefulness.

Our review of the domestic violence programs administered by OCJP and DHS revealed that:

- OCJP decided not to correct an inconsistency in its 2001 request for proposals, which resulted in fewer shelters receiving funding.
- DHS has not established guidelines as to how past performance will be considered when awarding grants.
- OCJP and DHS award the majority of their domestic violence funds to shelters for the provision of similar services.
- OCJP's and DHS's activities for awarding grants and providing oversight of recipients sometimes overlap.

OCJP Can Improve How It Administers Grants

OCJP Lacks Guidelines and a Structured Review Process for Denying Funding to Applicants on the Basis of Their Past Performance

OCJP has not established guidelines regarding the weight it will give poor performance when deciding whether to continue funding previous grant recipients in its competitive grant process.

> Without a system for weighing the relative importance of various past performance issues, one staff person may attach more or less importance to a particular performance aspect than another.

OCJP has not conducted systemic reviews of its grant recipients' records when identifying those with poor past performance.

Once staff ranks applicants and makes funding recommendations, in most cases OCJP's executive director makes the final decision regarding funding. The executive director can override staff recommendations.

> For example, in its 2001 domestic violence grant award process OCJP staff noted past performance issues related to four shelters but recommended that all but one receive funding. However, the former executive director opposed one of the three that staff had recommended for funding.
>
> Although OCJP's decisions not to fund the two shelters may have been justified, it did not adequately document the reasons for its decisions.
>
> The two domestic violence shelters that were denied funding did not receive specific warnings indicating that due to their past performance, future funding might be in jeopardy. In fact, both shelters received indications that despite some earlier problems, OCJP judged their subsequent performance to be satisfactory.
>
> On October 2, 2002, OCJP's interim executive director placed a moratorium on using an applicant's past performance in any funding decisions until a formal policy on this issue is developed and put into effect.

When Denying Awards, OCJP Has Not Given Applicants the Information or Time Necessary to Appeal Its Decisions

The process for notifying applicants it turns down for funding is flawed and as a result it has not always given applicants the information or time necessary to present appeals.

OCJP sends out a standard rejection letter that includes both an applicant's scores and the total points possible when informing denied applicants that they were not selected for funding. Because the letter does not specifically state why an applicant was not selected for funding, the applicant might assume that the score was the reason. Consequently, applicants might submit an appeal that does not adequately address OCJP's reasons for denying funding.

OCJP's process does not guarantee that grant applicants will have sufficient time to file appeals.

> OCJP's guidelines require that justifications for appeals be filed within 10 calendar days for state-funded grants and 14 calendar days for federally-funded grants from the date of the letter notifying them of OCJP's grant award decision. Because the date of the notification letter rather than the date applicants actually receive the letter starts the clock on the filing period, OCJP deprives applicants of the full period to justify and file appeals.

OCJP has not consistently used Advisory Committees to receive guidance and input from grant recipients and related advisory groups.

OCJP Has Not Performed Planned Site Visits, nor Has It Established a Policy for Prioritizing Visits

OCJP has not consistently performed either technical or monitoring site visits of its grant recipients within its established timelines.

> **Technical site visit:** An OCJP program specialist provides technical advice and makes an on-site assessment of the activities a grant recipient conducts.

OCJP's policy is to visit newly funded grant recipients within the first six months of the grant period. Of the 14 newly funded recipients we tested from its domestic violence program, OCJP only visited three within the required timeframe.

For established grant recipients, OCJP's policy is to visit them at least once every three years. Of the 19 we tested, four had not received a technical site visit.

> **Monitoring visit:** An OCJP monitor reviews a grant recipient's compliance with the applicable requirements of the grant.

Of 14 grant recipients we reviewed; four had not received monitoring visits within the past three years per OCJP's policy of monitoring grantees at least once every three years. In addition, over the past three years, OCJP has only monitored 329 of its 555 grant recipients, or 59 percent.

OCJP has not considered a review process that factors in the possibility that some grant recipients may be more at risk than others of not fulfilling grant requirements.

OCJP Has Not Always Followed Up With Grant Recipients That Failed to Submit Required Reports On Time

OCJP requires grant recipients to submit progress reports approximately 30 days after the end of a reporting period that provide statistics and narrative regarding their progress in achieving grant objectives.

> Of the 53 reports we reviewed, 12 were submitted more than 30 days after their due dates and only one grant recipient was sent a late notice.

OCJP also requires grant recipients to submit annual financial audits to ensure that they are spending federal and state funds according to grant requirements. If reports are late, OCJP should send late notices and then place current funds on hold until it receives the audit report.

> Although eight of 14 reports we reviewed were submitted more than three months late, OCJP did not contact five of the grant recipients. In addition, it failed to place a hold on funds for four of the grant recipients, even though their reports ranged from 3.6 months to over 15 months late.

OCJP Has Not Promptly Reviewed Required Reports

OCJP reports having a backlog of 700 unreviewed audit reports because it allowed a contract with an outside accounting firm to review these reports to lapse on June 30, 2001, and did not sign a new contract until June 2002.

> During fiscal year 2001-02, when it was not reviewing audit reports, OCJP violated federal guidelines requiring that it review audit reports within six months of their receipt.

> We reviewed 100 of the backlogged reports and found that 24 contained information requiring further investigation or resolution. Seven contained questioned costs, such as claims for reimbursement of costs that were not allowable according to the grant. We also noted that 17 reports contained administrative findings, such as grant recipients lacking procurement policies and personnel files missing required documents.

We examined 10 reports, which OCJP's outside accounting firm had received for the audit review process before the contract expired. We found that the contractor had not reviewed any of the 10 reports within six months of their receipt as required, and three had yet to be reviewed at the time of our testing in July 2002.

OCJP's Audit Reviews of Municipalities Duplicates Work Done by the State Controller's Office

The State Controller's Office (SCO) reviews audit reports of municipalities such as cities, counties, and school districts and sends the appropriate administering entity—such as OCJP—copies of the audit report and the grant recipient's corrective action plan for any findings pertaining to the recipient's use of federal funds.

Although this review is completed by SCO, OCJP performs an identical review of municipalities' audit reports, the only difference being that it reconciles audited expenditures to the amount the municipality has requested for reimbursement.

OCJP claimed that SCO's audits were not prompt enough to allow for OCJP follow-up within the time period required by federal regulations. However, we tested 11 of the audit reports and found that in eight instances, SCO's work was prompt enough to allow OCJP to follow up within the time allowed by federal requirements.

OCJP Has Not Ensured That Grant Recipients Promptly Implement Corrective Actions When It Identifies Problems

- OCJP could not provide evidence that it followed up on four of eight progress reports we sampled that had identified problems.

- In addition, OCJP could not provide evidence of follow-up for eight of the 14 technical site visits OCJP conducted in which it requested documents that the grant recipients never sent.

- OCJP waits a full year before ensuring that grant recipients have corrected problems that are identified through the recipients' annual audit reports.

OCJP HAS NOT PROPERLY PLANNED ITS EVALUATIONS OR MANAGED ITS EVALUATION CONTRACTS

An evaluation assesses how well all of the funded activities as a whole have achieved a grant's or program's objectives.

Over the past three fiscal years, OCJP has spent $2.1 million on activities culminating in evaluations of uneven quality, content, and usefulness.

OCJP Lacks a Process for Planning Its Evaluations

- Most of OCJP's programs do not have mandated evaluation requirements; thus OCJP has the discretion to determine if and when to evaluate these programs.

- OCJP has not determined what its evaluations should include and when in-depth evaluations may be necessary.

- OCJP has not developed general criteria concerning what it wants its evaluations to accomplish.

- Until recently, OCJP had no process for its program staff to provide feedback to evaluators regarding the suitability of proposed recommendations.

OCJP Has Not Held Contract Evaluators Accountable for Measurable Deliverables

Because it failed to include measurable deliverables in one of its evaluation contracts, OCJP has spent more than $156,000 since May 2001 but still does not know if the program being evaluated is producing the desired result.

Although OCJP had paid nearly $300,000 for services provided through one of its contracts, the evaluators failed to provide several key deliverables specified in the contract's scope of work.

OCJP Executed an Interagency Agreement With the University of California at Santa Cruz in Violation of State Requirements

OCJP violated competitive bidding requirements when it entered into a $625,000 agreement with the University of California at Santa Cruz because it did not involve the use of existing faculty, staff, or students as evaluators.

OCJP's ALLOCATION OF INDIRECT AND PERSONNEL COSTS MAY HAVE RESULTED IN SOME PROGRAMS PAYING FOR THE ADMINISTRATION OF OTHERS

Because of flaws in OCJP's process for allocating indirect and personnel costs, it cannot be sure that it assigned these costs to the programs that incurred them.

OCJP sometimes reassigns a program's indirect costs to other unrelated programs when such costs will exceed the original program's allowable limit for administrative costs.

OCJP and DHS Can Both Improve How They Administer the Domestic Violence Program

OCJP's Decision Not to Correct an Inconsistency in Its Request for Proposals Resulted in Fewer Shelters Receiving Funding

OCJP funded three fewer domestic violence shelters than it could have in fiscal year 2001-02 because it chose not to correct an inconsistency in the 2001 request for proposals for its domestic violence grant. The decision resulted in a reduction of nearly $450,000 a year of funds available for shelters.

Program staff set the minimum amount that a small shelter could receive at $185,000 a year, even though a table in the proposal stated that $185,000 was the maximum amount that a small shelter could receive. Rather than correct the error, OCJP adjusted the funding levels of several small shelters to accommodate the higher $185,000 minimum funding amount. The minimum amount was over $30,000 more for some small shelters than the OCJP had previously awarded.

Although we do not take issue with its authority to change the minimum funding level, OCJP could provide no documentation of the decision-making process it used to arrive at the $185,000 funding minimum.

Because OCJP decided not to revise its request for proposals, it increased the funding level of 22 shelters with smaller service population areas by a total amount of more than $300,000 a year and increased the funding for 32 shelters with larger service areas by nearly $150,000 a year.

DHS HAS NOT CONSIDERED PAST PERFORMANCE OR BEEN ABLE TO USE ITS ADVISORY COMMITTEE WHEN AWARDING GRANTS

DHS has not established criteria or guidelines for determining when a grant recipient's poor past performance issues rise to the level that would cause it to deny that recipient funding during the next grant cycle.

Although it states in its grant application documents that it has the right to consider past performance issues when making funding decisions, thus far it has chosen not to exercise that right.

DHS HAS NOT FULLY MET ITS RESPONSIBILITY TO OVERSEE GRANT RECIPIENTS

DHS does not have a process to conduct state-mandated site visits of its grant recipients.

It is currently not visiting all of its grant recipients according to its required schedule of making site visits to all grantees once every three years nor has it considered prioritizing its visits to first monitor those with the highest risk of problems.

DHS has been inconsistent in following up on its grant recipients' late submission of required reports and it has not always reviewed required reports promptly and consistently.

DHS Has Conducted Few Site Visits and Has Not Established a Process for Determining Which Sites Are at Risk

Since July 2000, DHS has made technical site visits to only three of the 91 shelters it funds. A state law that took effect in January 2002 requires that DHS conduct site visits of all its domestic violence shelters at least once during the three-year grant period.

DHS stated that it currently does not have the resources to comply with state law, and was unable to augment its workforce.

DHS Has Not Consistently Followed Up With Grant Recipients Concerning Late Reports, Nor Has It Promptly Reviewed All Reports

DHS requires its shelters to submit progress reports approximately 30 days after the end of a reporting period. Although four of the 13 progress reports we sampled were submitted more than 30 days after their due dates, DHS could not demonstrate that it had contacted the shelters concerning the late reports.

- DHS failed to review 11 of the 13 reports when it did receive them.

DHS also requires its shelters to submit audit reports to ensure that they are spending state funds according to grant requirements. DHS's policy is to send three late notices to shelters within 90 days after their reports are due.

- In our review of nine reports we found five that were at least 90 days late in submitting their reports. DHS did not promptly send out late notices to two shelters that never submitted reports or to a third that submitted its report over three months late.

California Could Improve Its Provision of Domestic Violence Services by Moving Toward Greater Coordination or Consolidation

SIGNIFICANT OVERLAP EXISTS BETWEEN THE DOMESTIC VIOLENCE ACTIVITIES THAT OCJP AND DHS FUND

The two domestic violence shelter-based programs established by state law at OCJP and DHS often fund similar activities, although DHS funds some services that OCJP does not.

Federal funding sources and state law constrain OCJP to funding 13 specific domestic violence services at shelters.

Although DHS is not limited by similar mandates, it requires that applicants demonstrate they can provide the 13 services established in OCJP's authorizing statute.

Table 4 (attached) shows the sources of funds and the activities funded for OCJP and DHS.

DHS's and OCJP's Shelter-Based Programs Primarily Fund Similar Activities

DHS has adopted the 13-services definition from OCJP's statute; therefore, all shelters that are eligible for one department's shelter-based program are also eligible for the other's program.

In fact, 70 of the 91 shelters, or 77 percent, that receive funds from DHS also receive funding from OCJP.

OCJP AND DHS DUPLICATE CERTAIN ASPECTS OF THEIR PROGRAM ADMINISTRATION

Table 5 (attached) identifies some components for the two departments' programs that overlap.

OCJP and DHS Require Separate Grant Applications for Similar Activities

Much of the information required in the applications for OCJP's and DHS's shelter-based programs is the same.

Because both departments require that shelters identify the services for which they are requesting funding, shelters must describe in separate applications they submit to the two departments, many of the 13 services that they will target.

OCJP and DHS Perform Some of the Same Oversight Activities

Duplication of oversight activities wastes resources at both departments and at the shelters.

Although OCJP and DHS require that shelters use the same progress report form, they have not synchronized their reporting periods. This creates a burden for the shelters.

Duplication also occurs in OCJP's and DHS's efforts to monitor shelters' compliance with program and financial guidelines. Although the two departments review different grant funds, both test shelters' fiscal controls, creating an overlap in their efforts. Additionally, DHS's contract audit of the services it funds through its shelter-based program duplicates portions of OCJP's review because OCJP also reviews some of the 13 domestic violence services during its monitoring site visits.

GREATER COOPERATION OR CONSOLIDATION BETWEEN OCJP'S AND DHS'S PROGRAMS COULD INCREASE EFFICIENCY

Four alternative approaches:

INCREASING COORDINATION BETWEEN THE DEPARTMENTS

Benefits:

- ✓ Synchronized progress report periods could allow shelters to prepare information once and submit it to both OCJP and DHS.
- ✓ The two departments could specialize in areas of program delivery.
- ✓ A baseline funding level could be established that would ensure all eligible shelters receive some funding, and remaining funding could be distributed competitively or through service-related factors.

Drawbacks:

- ✓ Some efforts, such as joint data collection software, would require significant time commitments from the departments and might not be successful.

DEVELOPING A JOINT GRANT APPLICATION FOR THE TWO DEPARTMENTS' SHELTER-BASED PROGRAMS

Benefits:

- ✓ The burden on shelters of preparing two separate applications for funding would be eliminated.
- ✓ The two departments would have the same grant cycle instead of the different cycles they have now.
- ✓ The amount of time the departments spend on overall review of the grant applications could be reduced.

Drawbacks:

- ✓ Both departments would need to commit significant effort to merge application requirements.
- ✓ Departments report that it would be extremely difficult to issue a joint application in 2004. Therefore, both departments' funding cycles would need to be extended.

COMBINING THE TWO SHELTER-BASED PROGRAMS AT ONE DEPARTMENT

Benefits:

- ✓ The burden on shelters of preparing two separate applications for funding would be eliminated.
- ✓ The two departments would have the same grant cycle instead of the different cycles they have now.
- ✓ The amount of time the department spends on overall review of the grant applications would be reduced.
- ✓ Duplication of oversight efforts by OCJP and DHS would be eliminated.
- ✓ Staff efficiencies could increase because staff at each department already provide assistance to shelters funded by the other department.
- ✓ Might require less lead time than a joint application because all requirements and administration would be in one location.

Drawbacks:

- ✓ State laws would need to be changed.

- ✓ If funds were competitively awarded and no base funding was provided, a shelter that scored poorly on its grant application would not receive any funding through the State for the three-year grant cycle.

COMPLETELY CONSOLIDATING ALL DHS'S AND OCJP'S DOMESTIC VIOLENCE PROGRAMS

Benefits:

- ✓ The overall efficiency of the programs should increase because all operations would be under one management.

- ✓ The overlap between DHS's and OCJP's administration would be eliminated.

Drawbacks:

- ✓ State law would have to be changed.

- ✓ The structure would not take advantage of each department's experience in related areas.

RECOMMENDATIONS

OCJP should take the following actions to ensure that it addresses issues regarding its application process:

- Create guidelines and criteria to determine when an applicant's past performance issues rise to the level that OCJP will consider those issues when deciding whether or not to continue the applicant's funding.

- Conduct a periodic uniform review of all applicants with regard to past performance issues that includes applying weighting factors that indicate the relative importance of each such issue as it relates to future funding.

- Promptly inform grant recipients when their past performances are jeopardizing their chances for future funding.

- Properly document the rationale not to fund grant recipients and clearly state in the rejection letters sent to the applicants the reasons they were denied funding.

- Change the process for the filing of appeals so that an applicant has 10 to 14 calendar days, depending on the type of grant award, from the registered receipt of the notification letter in which to justify and file an appeal.

- Create an advisory committee for the domestic violence program to provide guidance on key program decisions.

To improve its oversight of grant recipients, OCJP should:

- Ensure that it conducts prompt technical site visits of newly funded grant recipients.

- Establish a risk-based process for identifying which grant recipients it should visit first when it conducts monitoring visits.

- Establish guidelines for when and how to follow-up on late progress reports and follow existing guidelines for follow-up on late audit reports.

- Ensure that it reviews audit reports within six months of receipt in order to comply with federal guidelines.

- Revise its audit report review of municipalities to eliminate duplication of effort with the SCO.

- Establish written guidelines to address how staff should follow up on problems identified in progress reports or during site visits.

- Require that its monitors review grant recipients' corrective action plans to ensure problems identified during monitoring visits have been appropriately resolved.

- Promptly follow up on findings in audit reports to ensure appropriate resolution.

To improve the efficiency and effectiveness of its evaluations branch, OCJP should implement the following changes:

- Develop a planning process to determine what programs would profit most from evaluations, how rigorous evaluations should be, and follow its new process for discussing the relevance and feasibility of proposed recommendations to improve their chances for implementation. This interaction between program staff and evaluators should include the program branch chief.

- Develop general criteria establishing what evaluations should accomplish.

- Include measurable deliverables and timelines in its contracts' scope-of-work sections. Also, it should ensure that it does not make payments to contractors when those contractors do not provide established deliverables or when the deliverables are not of the quality expected.

- Ensure that when it uses interagency agreements with UC or CSU campuses that it is only contracting for services provided by existing faculty, students, or staff. In all other situations, OCJP should use a competitive bidding process to secure these services.

OCJP should take the following actions to improve its allocation of administrative costs:

- Ensure that it equitably allocates all indirect costs to the appropriate units and that it maintains sufficient documentation to support the basis for its cost allocation.

- Establish an adequate time-reporting system that uses activity reports or certifications, as appropriate, to document the total activity for each employee. It should then use such reports or certifications as the basis for allocating personnel costs.

DHS should:

- Create guidelines and criteria to determine when a grant applicant's past performance issues rise to the level for it to consider denying that applicant funding.

- Ensure that it consistently and promptly reviews progress reports submitted by shelters and complies with the state law mandating site visits.

- Establish a risk-based process for prioritizing visits to shelters and develop written guidelines to establish when staff should follow up on late progress reports.

- Follow existing guidelines regarding timely follow-up of late audit reports.

To improve the efficiency of the State's domestic violence programs, OCJP and DHS should coordinate the development of their application processes and identify areas common to both where they could share information or agree to request information in a similar format.

OCJP and DHS should consider aligning their reporting periods for progress reports, coordinating their visits to shelters, and establishing procedures for regularly communicating concerns or problems regarding shelters.

OCJP and DHS, along with the Legislature, should consider implementing one of the following alternatives:

- Continue to coordinate the departments' activities on projects in which both have interests in improving services. In addition, OCJP and DHS could identify opportunities that might allow each department to focus its funding on specific activities. This could include establishing base funding for shelters.

- Issue a joint application for both departments' shelter-based programs but have each department continue its separate oversight.

- Combine shelter-based programs at one department. This alternative would require some changes to state law and funding appropriations.

- Consolidate all domestic violence programs at one department. This alternative would also require legislative and funding appropriation changes.

TABLE 4

Some Differences Exist Between OCJP's and DHS's Shelter-Based Programs

Characteristics	OCJP	DHS
Sources of funding	Federal Violence Against Women Grant Federal Victims of Crime Grant Federal Family Violence Prevention and Services Grant State's General Fund	State's General Fund
Activities funded	Generally restricted by state law to 13 services	Chooses to fund 13 services but can also fund other activities such as public health nurse visits or special services for pregnant women
Program requirements	Various limitations from federal funding sources, plus state law generally restricts funding to 13 services	No federal funding limitations, and state law does not restrict funding to 13 services

TABLE 5

Some Components of OCJP's and DHS's Program Administration Overlap

Components	OCJP	DHS
Award of funds	Reviews and scores applications for funding for the 2001 through 2004 grant cycle.	Reviews and scores applications for funding for the 2000 through 2003 grant cycle.
Progress reports	Requires shelters to submit nine progress reports during its three-year funding cycle.	Requires shelters to submit four progress reports during its three-year funding cycle.
Monitoring	Conducted 26 monitoring site visits at shelters over the past three years.	Performed 25 contract audits of shelters since 2000.
Technical assistance	Provides assistance to shelters through technical site visits.	Currently conducts few technical site visits. However, as of January 2002, state law requires it to review each of its funded shelters during its three-year funding cycle.